UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF OHIO
EASTERN DIVISION

IN RE: NATIONAL PRESCRIPTION OPIATE LITIGATION	)	MDL No. 2804
	)	Case No. 1:17-MD-2804
THIS DOCUMENT RELATES TO ALL CASES	)	Hon. Dan A. Polster

— — —

Thursday, February 14, 2019

— — —

HIGHLY CONFIDENTIAL - SUBJECT TO FURTHER CONFIDENTIALITY REVIEW

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Videotaped Deposition of BILL BRANDT, held at Locke Lord LLP, 2200 Ross Avenue, Suite 2800, Dallas, Texas, commencing at 9:07 a.m., on the above date, before Michael E. Miller, Fellow of the Academy of Professional Reporters, Registered Diplomate Reporter, Certified Realtime Reporter and Notary Public.

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PROCEEDINGS

(February 14, 2019 at 9:07 a.m.)

THE VIDEOGRAPHER: Good morning. We are now on the record. My name is Darnell Brown. I'm the videographer with Golkow Litigation Services. Today's date is February 14th, 2019, and the time is 9:07 a.m.

This video deposition is being held in Dallas, Texas in the matter of In Re: National Prescription Opioid Litigation before the United States District Court for the Northern District of Ohio.

The deponent is Bill Brandt.

Counsel, please identify yourselves for the record.

MR. ACKERMAN: David Ackerman, Motley Rice, for the plaintiffs.

MR. JONES: Scott Jones for defendant Henry Schein Inc. and the witness, and Maddie Brunner.

MR. MENGIS: Michael Mengis, BakerHostetler, for Cardinal Health.

MR. PERRY: Stan Perry, Reed Smith, for AmerisourceBergen Drug Corporation.

THE VIDEOGRAPHER: Those on the phone.

MS. BORSAY: Casteel Borsay with Jones Day on behalf of Walmart.

MR. MANNIX: Paul Mannix of Marcus & Shapira here on behalf of HBC Services.

MR. HOUSTON: Zeno Houston from Arnold & Porter on behalf of Endo and Par.

BILL BRANDT,

having been duly sworn,

testified as follows:

EXAMINATION

BY MR. ACKERMAN:

Q. Good morning, Mr. Brandt.

A. Good morning.

Q. We met off the record. My name is David Ackerman. I'm an attorney with Motley Rice representing the plaintiffs in this action.

Have you ever had your

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deposition taken before?
A. No.
Q. Okay. Let me walk you through -- I'm sure your counsel told you a little bit about what's going to happen. I'll tell you a little bit as well.
A. Okay.
Q. So we are here. As you can see, there's a court reporter next to you, and a videographer. The court reporter, I think, is probably the most talented person in the room, because he will take down everything that's said. But as talented as he is, he cannot transcribe verbal -- or nonverbal actions.
A. Okay.
Q. So I'll be asking questions. Hopefully you'll be giving answers. I'd ask that you answer each question with a yes or a no and try to avoid uh-huhs or huh-uhs or shrugs or shakes of the head.
A. Okay.
Q. Also, he cannot transcribe when we speak over each other. He can only catch one person at a time. So even though it may

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be painfully obvious where my question is going, I ask that you allow me to finish my question before you start your answer.
A. Okay.
Q. And I will try to do the same. I don't want to cut you off of any of your answers, and if I do cut you off, please let me know.
A. Okay.
Q. I don't know how long we'll go today, but we can take a break probably every hour, hour and a half. If at any time you want to take a break, let me know. We'll try to finish up the topic or questioning and then we'll go ahead and take a break.
A. Okay.
Q. I just ask that we don't take a break while a question is pending. I think these are the primary ground rules.
A. Okay.
Q. Have you taken any substance or under the influence of any medication that would affect your ability to testify truthfully today?
A. No.

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Q. Okay. We can go ahead and step in and get started.
Would you state your name for the record, please?
A. Bill Brandt.
Q. How do you spell your last name?
A. B-R-A-N-D-T.
Q. And, Mr. Brandt, are you currently employed?
A. Yes.
Q. Where?
A. Henry Schein.
Q. And when did you start with Henry Schein?
A. October 1992.
Q. Prior to becoming employed with Henry Schein, did you have a job previous to that?
A. Yes.
Q. And what was that?
A. JCPenney.
Q. What was your position at JCPenney?
A. I was an operations supervisor.

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Q. For how long were you at JCPenney?
A. I believe it was just shy of three years.
Q. And prior to JCPenney, were you employed anywhere?
A. I was in college.
Q. Do you have a college degree?
A. I do.
Q. From what college?
A. Chico State University.
Q. Where is Chico State University?
A. Northern California.
Q. Is it a bachelor's degree?
A. Yes.
Q. Did you have a major?
A. Psychology.
Q. Do you have any advanced degrees?
A. No.
Q. Your job at JCPenney, I assume it did not involve the distribution of controlled substances; is that correct?
A. That's correct.

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Q. All right. I had to check that box. Thank you.
When you started with Henry Schein in October of 1992, what was the first position that you held?
A. The first position was inventory control supervisor.
Q. And where were you located?
A. That was in Reno, Nevada.
Q. For how long were you an inventory control supervisor?
A. For about a year.
Q. And after that year, did you assume another position at Henry Schein?
A. At JCPenney or --
Q. I'm sorry. I was talking about Henry Schein.
A. Oh, I'm sorry, I apologize.
Q. I think -- let me just make sure I've got the timeline right.
You said you started as inventory control supervisor at Henry Schein?
A. I did.
Q. And how long did you hold that position?

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A. I held that position for about a year or so, yeah.
Q. And then what was the next position you held at Henry Schein?
A. I believe it was in production, picking and packing.
Q. And for how long were you in production?
A. About a year as well.
Q. Was that also in Reno?
A. That was in Reno.
Q. And when you say Reno, I assume it's Reno, Nevada?
A. Yes. Yes.
Q. After that, what was the next position you held at Henry Schein?
A. I believe for a little under a year, I moved into a shipping supervisor role, shipping and receiving I believe it was. Case pick.
Q. And for how long were you in that shipping and receiving role?
A. I think that was about a year as well.
Q. Also in Reno?

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A. Yes.
Q. And after that, what was the next position you held at Henry Schein?
A. After that I had an opportunity to go to France and help open a warehouse in a city named Tours, France.
Q. So for how long were you in France?
A. That was just shy of a year.
Q. Well, I hope every position hasn't been one year; otherwise, we might go into lunch. But we'll keep going.
A. Okay.
Q. After opening the warehouse in France, did you hold another position with Henry Schein?
A. I returned to Reno, Nevada as supervisor of -- I believe it was production for a short time.
Q. And when you say a short time, is that -- about how long?
A. About six months.
Q. And after that, what was the next position that you held at Henry Schein?
A. I took a transfer to

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Indianapolis, our Indianapolis distribution center.
Q. And what did you do at the Indianapolis distribution center?
A. I managed a case pick building.
Q. What is a case pick building?
A. It's a separate building from the main warehouse, and everything in the warehouse is in full vendor cases, so no individual loose pick items.
Q. And so for how long were you managing the case pick building in Indianapolis?
A. About a year.
Q. And then after that?
A. Customer service. Back to Reno to start a customer service team in Reno.
Q. All right. Let's take a break there. Let's -- because I think there's a bunch of positions that I think I can just ask a few questions about each time and we can move on.
A. Okay.
Q. As inventory control supervisor, which I believe is your first

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position at Henry Schein --
A. Yes.
Q. -- who did you report to?
A. I reported to Ric Spellerberg, the director of the facility.
Q. And what were your responsibilities?
A. To maintain the inventory, to check inventory accuracy, to set up the inventory. I was -- I was one of the first -- first hired there, so it was my job to help set up the inventory and make sure that it was optimized for, you know, production, for picking and that.
Q. When you say inventory, inventory of what?
A. Inventory of all the products that we sell, so -- that were stocked in Reno. I don't remember the exact number of products, but it's a lot of -- a lot of products.
Q. And that includes prescription drugs, correct?
A. Yes.
Q. Are there any other products

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that were stocked in Reno aside from prescription drugs?
A. Yes, consumable products.
Q. When you say consumable products, what do you mean?
A. Toothbrushes, cotton balls, gloves, cleaning supplies, anything a doctor or a dentist might use.
Q. Okay. So was -- is that just dental supplies or supplies for other medical as well?
A. No, it was medical, dental and animal health.
Q. Did you have any responsibility as an inventory control supervisor for -- with respect to controlled substances?
A. Yes.
Q. Describe that.
A. I was in charge of the drug cage, so I supervised the drug cage.
Q. And what is the drug cage?
A. It's -- the cage is where we keep controlled substances. In Reno it was class III through V.
Q. Is that still the case today?

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A. Yes, I believe so.
Q. Were class II controlled substances stored somewhere else?
A. Yes.
Q. Where were they stored?
A. Indianapolis.
Q. So there were no class II controlled substances in Reno?
A. That's right.
Q. Is that still the case today?
A. Yes, I believe so.
Q. Okay. The next position you said was something having to do with production. Generally what were your job responsibilities in that position?
A. To manage -- to help manage the pickers and the packers, people who would pick the orders and people who would package them up to ship to customers.
Q. And I assume as inventory -- going back to inventory control supervisor, did you have any responsibility for detecting suspicious orders?
A. No.
Q. Did you have any responsibility

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for customer due diligence?
A. No.
Q. In your role as -- in that role in production, to whom did you report?
A. I believe it was Nora -- I can't remember her last name. Nora was the manager, ops manager that reported to Ric Spellerberg, the director. I forget her last name.
Q. And in production, did you have any responsibility for detecting suspicious orders?
A. No.
Q. Did you have any responsibility for conducting customer due diligence?
A. No.
Q. The next role you said was shipping and receiving?
A. Uh-huh.
Q. And what were your responsibilities in that role?
A. Again, to manage a team of people who would load trucks, to manage the shipping schedule, to assist with the receiving and freight coming in.

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Q. And did you -- who did you report to in that role?
A. I believe Ric Spellerberg still.
Q. Did you have any responsibility with respect to identifying or detecting suspicious orders of controlled substances?
A. No.
Q. And in that role as -- in shipping and receiving, did you have any responsibility with respect to conducting customer due diligence?
A. No.
Q. The next role I have is opening the warehouse in France. Who did you report to while you were in France?
A. While in France, Bob Minowitz.
Q. From France, you came -- you came back to Reno?
A. Yes.
Q. And the next role I have is supervisor of production; is that right?
A. Yes.
Q. Why did you leave France to come back to Reno?

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A. The assignment was complete. I went to set up the -- help set up the warehouse and the inventory, so the assignment was complete. So I -- naturally I came back to Reno, where I lived for a short time, and then had an opportunity to transfer to Indianapolis.
Q. All right. As the supervisor in production, were your job responsibilities generally the same as the production role that you had held previously in Reno?
A. Yes.
Q. And did you also -- to whom did you report during that period there?
A. I believe it was still Ric Spellerberg.
Q. And did you have any responsibilities for identifying or investigating suspicious orders of controlled substances?
A. No, not at that time.
Q. And did you have any responsibility for conducting customer due diligence?
A. No.

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Q. And then the next role you said was in the Indianapolis distribution center?
A. That's right.
Q. So here, if I remember your testimony correctly, there are class II substances stored in the Indianapolis distribution center; is that correct?
A. That's correct.
Q. And how were those stored at the time in the distribution center?
A. In a -- I apologize.
Q. Sure.
A. In a cement vault.
Q. Was the vault locked?
A. Yes.
Q. Okay.
A. And I wasn't in charge of -- that wasn't part of my role.
Q. You read my next question.
Did you have any responsibility with respect to class II controlled substances?
A. No.
Q. So what were your responsibilities during the time at the

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Indianapolis distribution center?
A. My responsibilities were to manage a case pick, vendor case pick warehouse that was several miles from the main warehouse.
Q. Was the cement vault that you described in the main warehouse or in the case pick warehouse?
A. It was in the main warehouse.
Q. So it was not in the warehouse where you worked?
A. That's right.
Q. What types of materials were stored in the case pick warehouse that you managed?
A. Cases of gloves, cases of towels, cases of drape sheets, some equipment, things like that.
Q. All right. And that I think then brings us to where you said you joined the Reno customer service team; is that correct?
A. So I actually separated from the company for a short time, a couple of weeks, drove back to Reno, and the company

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contacted me and advised that they had an opportunity to -- they wanted to start a customer service team in Reno, and they asked if I was interested in interviewing for that.
Q. All right. So when did you separate from the company?
A. I believe it was February of '96.
Q. And why did you separate from Henry Schein?
A. Because my wife and I are both from Northern California. My wife was pregnant at the time that I took the transfer. We had our first son in Indianapolis, and we just weren't happy being that far away from our family.
Q. Approximately how long from when you left Henry Schein was it until someone contacted you about the opportunity in Reno?
A. I believe about two weeks.
Q. Did you find new employment at that time, or during those two weeks?
A. No, I was looking, but I didn't find anything.

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Q. So who contacted you about the new opportunity at Henry Schein?
A. Peter Dellacroce.
Q. And who is Peter Dellacroce?
A. Peter -- now? His role now or then?
Q. So then, and then we'll go to now.
A. I believe -- at that time I believe he was -- I believe he might have been the director of customer service.
Q. And it sounds like he's still with Henry Schein today?
A. Yes.
Q. And what is his role today?
A. He's vice president of global services.
Q. When Mr. Dellacroce contacted you, what did he say?
A. He said that they were thinking -- they had been thinking about opening a call center in Reno. We had worked together in the past from an operations standpoint because he was also in operations, and they were very interested in just talking

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to me to see if I might have interest in starting that team in Reno.
Q. Had you ever worked in a call center before?
A. No.
Q. I assume you accepted the position?
A. Yes.
Q. And so what was your role at that time? What was your job title?
A. Supervisor of customer service.
Q. Did you have individuals who reported to you?
A. Yes.
Q. How many?
A. Five.
Q. And what were your responsibilities as supervisor of customer service?
A. To make sure that we answer the phone, to make sure that the team was trained, to provide support to the team of agents.
Q. At the time that you joined -- or you rejoined Henry Schein, was there

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already a customer service call center anywhere?
A. Yes.
Q. Where?
A. In Melville, New York.
Q. So was this moving the call center from Melville to Reno, or did they start up a second call center?
A. They started up a second call center.
Q. So were you involved with designing the training materials?
A. No, not at that time.
Q. Yeah. And I'm just talking about at that -- during this period.
A. At that period, no. I was trained. I got -- I was trained on the existing materials.
Q. The role of supervisor of customer service, who at that time were Henry Schein's customers?
MR. JONES: Object to the form.
MR. ACKERMAN: You can answer. So from time to time, Mr. Jones may object to a question. You can

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answer unless he instructs you not to object -- not to answer.
A. My understanding, dentists, doctors, veterinarians.
BY MR. ACKERMAN:
Q. For how long were you supervisor of customer service?
A. I believe -- I believe several years, maybe two or three years.
Q. Who did you report to?
A. Jim Mullins.
Q. And what was Mr. Mullins' title at the time?
A. At the time Jim was probably the manager of customer service.
Q. Was he located in Reno?
A. No. Melville, New York.
Q. Is Mr. Mullins still with the company?
A. Yes.
Q. And what is his title now?
A. Senior vice president, global services.
Q. After the two to three years you were supervisor of customer service --

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I've lost track of my timeline so I'm not going to guess the year, but what was the next job you held at Henry Schein?
A. It was manager of customer service. I was promoted.
Q. Were there additional responsibilities that came with that promotion?
A. I think so. A bigger team, managing more people, handling more call volume.
Q. As manager -- first of all, how long were you manager of customer service?
A. I believe until 2003. That's when I was promoted to director.
Q. About how long is that? Just because I haven't added up the years that we've been going through.
A. I think about four or five years, something like that.
Q. Did you oversee the team, the customer service team in Melville, as well as manager of customer service?
A. No, just the Reno team.
Q. At that time how many customer

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service representatives reported to you -- or let me ask the question differently.
At that time how many customer service representatives did you oversee?
A. I would -- I would estimate 20.
Q. Did the customer service representatives take orders for Henry Schein?
A. No.
Q. The training materials for the customer service representatives, did they address potential diversion of controlled substances?
A. No.
Q. Did the training materials address due diligence or customer due diligence?
A. In customer service, no.
Q. And thank you for clarifying. Yeah.
Did the training materials in customer service address identification or investigation of suspicious orders of controlled substances?
A. No.
Q. Generally what types of

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inquiries were the customer service representatives receiving in this time period?
A. Post sales, so things like returns, order tracking, billing questions, things like that. Anything that would happen after a sale was what the team handles.
Q. Did the training materials for customer service representatives address reports of abuse of controlled substances?
MR. JONES: Object to the form.
A. No, not that I'm aware of.
BY MR. ACKERMAN:
Q. Are you aware of customer service representatives at this time receiving calls or inquiries reporting abuse of controlled substances?
A. Not that I'm aware of.
Q. As manager of customer service, who did you report to?
A. Jim Mullins.
Q. Did Mr. Mullins have a different title at that time?
A. Probably director of customer service. I'm guessing.

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Q. You said you held that position, manager of customer service, until about 2003; is that right?
A. I believe so.
Q. What was the next position at Henry Schein that you held?
A. Director of customer service.
Q. And for how long were you director of customer service?
A. I believe 13 years.
Q. So roughly until 2006?
MR. JONES: Object to the form. I think it's 2016.
MR. ACKERMAN: I'm sorry, thank you, yes.
THE WITNESS: Yes.
MR. ACKERMAN: It's early for my math.
A. Yes, about 2016 or '17 is when I was promoted again.
BY MR. ACKERMAN:
Q. What were your job responsibilities as director of customer service?
A. Director of customer service,

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the added responsibilities, the increased size of the team, so the team was getting bigger in Reno. And I also took responsibility for the customer service team in Melville, New York.
Q. How large did the team get in Reno?
A. At that time, maybe 25 or so.
Q. The customer service team in Melville, did they handle the same types of inquiries as the team in Reno, or were there different inquiries that were routed to Melville?
MR. JONES: Object to form.
A. Yes, the same. Customer service, the same.
BY MR. ACKERMAN:
Q. As director of customer service, did you have any responsibilities related to suspicious order monitoring?
A. Not originally, but that did become part. That did become part of my responsibility.
Q. When did suspicious order monitoring become part of your

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responsibility?
A. I don't recall exactly the year, but it was sometime in the -- it was sometime in the mid 2000s, I think.
Q. And what responsibilities did you assume with respect to suspicious order monitoring at that time?
A. I assumed the oversight of the license verifications team in Melville and Reno.
Q. What is the license verifications team?
A. The license verifications team is the team that checks orders that pend, things that our system deems suspicious.
Q. So you used a term there, "orders that pend." What does that mean?
A. Orders that pend are orders that are deemed as potentially suspicious that we should review further.
Q. And how do those orders get deemed as potentially suspicious?
A. Through a -- through a threshold system that's built into our -- into our systems that would flag an order for

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unusual size, unusual frequency, unusual pattern.
MR. ACKERMAN: Let's mark this as Exhibit 1.
(HenrySchein-Brandt Deposition Exhibit 1 marked.)
BY MR. ACKERMAN:
Q. So, Mr. Brandt, the court reporter has handed you what's been marked as Exhibit 1.
A. Uh-huh.
Q. Which is a two-page document numbered HSI-MDL_00022669. Take a moment to review this document and let me know if you've seen it before.
(Document review.)
A. I don't recall seeing it, but I clearly -- I'm sure I did.
BY MR. ACKERMAN:
Q. Okay. The title of the document is Verifications Department Profile. Is that the license verifications team that you were just discussing?
A. That's correct.
Q. About midway down the page on

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the left-hand side, it says number of TSMs.
Do you see that?
A. Yes.
Q. What does TSM stand for?
A. TSM is Team Schein Member.
Q. Is that employees who were assigned to the team?
A. Yes, yes.
Q. And then above that it says number of prompts. What does that mean?
A. Prompts would, I believe, refer to phone prompts, so maybe -- I'm speculating, but that could mean phone prompts, 800 numbers coming in possibly.
Q. Okay.
A. Yeah.
Q. Then this first sentence under department scope of responsibility is: The verifications team is responsible for ensuring compliance with all state and federal licensure requirements for the shipment of medical devices, prescription drugs and controlled substances.
Is that an accurate description of the responsibilities of the verifications

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department at Henry Schein?
A. I think -- I think it's an okay description. It's to review orders and to make sure that we as a company stay in compliance, yeah, with regulations.
Q. And was that an accurate description from the time that you assumed responsibilities for suspicious order monitoring?
A. I believe so, yes.
Q. Before you -- the suspicious order monitoring responsibilities were in your bailiwick, before you had those responsibilities, who was responsible for that aspect of Henry Schein's business?
A. You know, I don't recall. I don't recall who managed that prior to me.
Q. How did you become aware that you were going to be assuming responsibilities with respect to suspicious order monitoring?
A. I believe my boss, Jim Mullins, advised that that would be included in my scope.
Q. And do you recall what he told

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you at that time?
A. No. I think -- I mean, I don't remember exactly, no, but it was probably an overview of the department and everything that it -- everything that goes along with it, and I'm sure we had many discussions about that, I would assume.
Q. Was there a verifications department in existence at the time that you assumed responsibility?
A. Yes.
Q. When you assumed responsibility for the verifications department, did you receive any training on state and federal licensure requirements for the shipment of medical devices, prescription drugs and controlled substances?
A. Probably the SOP, so whatever the standard operating procedures were at the time, I'm sure I reviewed those; and then conversations with Jim Mullins and with the team.
Q. Has that SOP evolved over time?
A. Yes.
Q. What do you recall about the

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version of the SOP that you reviewed at the time that you assumed responsibility for the verifications department?
A. I don't remember it exactly, but I'm sure it included how to approach orders that pend, what the process was for the representatives and the things that they -- guidance for them on how they should conduct their due diligence.
Q. If you look back at this Exhibit 1, the next sentence under this section, Department Scope of Responsibility, says: In addition, we are required to "know our customer," when shipping controlled substances according to Federal DEA regulations.
Do you see that?
A. I do.
Q. Do you know why the phrase "know our customer" appears in quotation marks?
A. Do I know why it's in quotes? I guess because it's a wide -- at the time -- I don't know what the timing was of this particular memo, but at the time I think that

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was -- if I wrote this memo, which I may have, it was because maybe it wasn't as defined. Maybe it wasn't clearly defined at that time.
Q. Is it clearly defined today?
A. I believe so. I believe we've put -- we've worked with our regulatory team who really focuses on this type of thing, and we've partnered with them as we always do, and I believe we have a good process in place now for that and a good understanding.
Q. At the time that you assumed responsibility for the verifications department, was the verifications department responsible for -- was the verifications department required to know our customer when shipping controlled substances?
MR. JONES: Object to the form.
A. Not -- not formally, like we do today. I think that has -- that has definitely been an evolving requirement from the government.
BY MR. ACKERMAN:
Q. So when you say not formally, was there an informal process in place when

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you first assumed responsibility for the verifications department?
A. Well, not informal, but we didn't have a questionnaire. But we did have things. Customers were -- had a segment, a market segment and things like that that -- so we knew what type of practice the doctor had, but we didn't have our questionnaire at that time when I first started.
Q. And what is the questionnaire that you're referring to?
A. It's our Know Your Customer questionnaire.
Q. When did the Know Your Customer questionnaire get implemented?
A. I don't recall exactly. I would -- I would estimate 2014, around that time.
Q. How long is the questionnaire?
A. How long? Two pages.
Q. How many questions are on the questionnaire?
MR. JONES: Object to the form.
A. I believe around 20 questions.
///

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BY MR. ACKERMAN:
Q. Today does Henry Schein use the questionnaire?
A. Yes.
Q. And how long is the questionnaire that is in use today?
A. I believe about 20 questions.
Q. In 2014 or approximately 2014, when the questionnaire was implemented, how many questions were on the questionnaire?
A. My recollection, a few short of what we are today, so maybe 15 or 16 questions. I think we've added a few over the last few years. When I say we, I'm referring to regulatory.
Q. And under what circumstances -- today, under what circumstances is the questionnaire -- I assume the questionnaire gets sent out to customers; is that correct?
A. They can access it online, or we can fax it to them, send it to them.
Q. And so when does a customer complete the questionnaire today?
A. Just when we --
MR. JONES: Object to the form.

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A. When we send it to them, so...
BY MR. ACKERMAN:
Q. And when does it get sent to them?
A. If they're ordering controlled substances, normally that would be the first flag that would do that.
Q. So at that time of a first order of controlled substances; is that correct?
A. Not always, but depends what they're ordering and upon -- you know, we would review the account and when we deem -- when the team deems that it's necessary.
Q. Are there procedures in place today that specify when a questionnaire should be sent to a customer?
A. I believe so.
Q. Well, since we skipped to today, let me ask a couple of questions that I haven't asked yet, which is: What is your current role at Henry Schein?
A. My current role, I was just promoted to vice president.
Q. And congratulations.

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A. Thank you.
Q. When was the promotion?
A. It was announced yesterday, actually.
Q. So prior to that promotion or two days ago, what was the role that you held at Henry Schein?
A. Executive director.
Q. And for how long were you executive director?
A. Just about a year, a little over a year.
Q. What were your responsibilities as executive director?
A. Pretty much the same as director, just managing both customer service teams, oversight of license verifications team, Reno/Melville, and our gatekeeping team, Reno/Melville.
Q. I see. So you were director of customer service for a long period, 13 years; is that right?
A. Yes.
Q. And then you were executive director for about a year?

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A. Uh-huh.
Q. And as of yesterday, you are now vice president?
A. Yes.
Q. Understood. Let's keep looking at this verifications department profile document.
A. Okay.
Q. The next -- actually that sentence that I just read that said: In addition, we are required to know our customer when shipping controlled substances according to Federal DEA regulations.
Do you see that?
A. Uh-huh. Yes.
Q. Have you received any training on the federal DEA regulations referenced in that sentence?
A. Not -- I haven't personally, no.
Q. Have the members of the verifications department received training on the federal DEA regulations that are referenced in that sentence?
A. Yes, through our standard

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operating procedures and through training courses with our regulatory team.
Q. How many training courses with the regulatory team do members of the verifications department receive?
MR. JONES: Object to the form.
A. You know, I don't know the exact number, but our manager, the manager of the department, now the director, Shaun Abreu, attends annual seminars, so DEA seminars to stay up with the latest and greatest, and we -- like I said, we work with our regulatory team, and Shaun and our regulatory team partner and, you know, try to provide at least one annual training with the team. Like I said, we do use our procedures to help the team, to help guide the team.
BY MR. ACKERMAN:
Q. When you first assumed responsibility for the verifications department, was there training courses from the regulatory team?
A. I don't recall back then. There certainly may have been. I don't think there's ever been anything overly formal.

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They may have come out to do a -- a PowerPoint presentation or something like that, but I don't recall specifically.
Q. Are the training courses today more formal?
MR. JONES: Object to the form.
A. No, just PowerPoint training, so I would -- I wouldn't say so, no.
BY MR. ACKERMAN:
Q. And have you ever attended one of those training courses?
A. I have.
Q. When?
A. I attended one probably in the late 2000s, maybe 2010. I attended one last year. I think those are the two I've sat in on.
Q. I'm sorry, I didn't want to interrupt you.
A. Those are the two I sat in on.
Q. You did not attend the training courses annually; is that correct?
A. No.
Q. Are the training courses an annual requirement for members of the

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verifications department?
MR. JONES: Object to the form.
A. No, the courses I'm speaking of, no. The company does have some ethics and courses like that that go through our compliance department that everybody -- that most Team Schein members are responsible to formally take every year and to update, things like ethics and harassment and things like that. So I'm not speaking of that.
I'm speaking of the partnership that our team has with the regulatory team and information they put together to help -- to help our verifications reps understand a little bit more about the industry and about how they should be looking at and conducting some of their due diligence.
BY MR. ACKERMAN:
Q. Okay. So there are required training -- annual required training courses for Henry Schein employees; is that correct?
A. Yes.
Q. But those required annual training courses don't include training on identification and investigation of

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suspicious orders; is that right?
A. I would say so. I think that's correct.
Q. And they don't include training on the DEA's Know Your Customer regulations?
MR. JONES: Object to the form.
A. Yeah, I don't believe that it includes that. It certainly may. Like I said, it's usually larger topics like ethics and things like that.
BY MR. ACKERMAN:
Q. Are you required to --
A. Yes.
Q. -- take the annual training courses?
A. Yes.
Q. And have you taken them for this year?
A. Possibly. I don't recall.
Q. You took them for last year, though, right?
A. Yes. Yes.
Q. So what training courses did you take last year that were required by Henry Schein?

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A. So harassment, antiharassment, ethics. I don't remember all of the topics that are included, but those are pretty wide topics that usually are about 45 minutes, and it's a Corpedia type of training that has a test at the end.
Q. When you say Corpedia, is that like an online training?
A. Yeah, it's a delivery service.
Q. Okay. If you skip to the next page of Exhibit 1, there's a header -- well, first, I want to understand what some of the acronyms are on the left side of this page at the top, so -- or terms, because they're not all acronyms.
The first one says abandonment rate. What is that?
A. Abandonment rate is when a customer calls in through our 800 number, and we don't pick up the call before they hang up.
Q. So it's an abandoned call?
A. Yes.
Q. Understood.
Quality average? What does

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that mean?
A. Yes, we have a quality -- we have a quality process. We record phone calls, and we score usually between five and ten per agent per month, and have our -- we have QA people who coach and who score the calls. We have an evaluation sheet and they basically provide a final score for the call.
Q. What metrics are used to score the agent's performance?
A. An evaluation sheet that has some of the key -- you know, how they answered the phone, phone etiquette, how well they solved the problem for the customer. It's around those types of things.
Q. Are these written down somewhere?
A. Yes.
MR. ACKERMAN: I don't know, Scott, whether that's been produced or not, but if it hasn't been, we'd ask for that production.
MR. JONES: We'll look at that.
MR. ACKERMAN: Thank you.
///

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BY MR. ACKERMAN:
Q. The next heading says HA Pends. What does that mean?
A. HA Pends refers to orders that pend due to state licensing.
Q. HA, does that -- is that short for something?
A. I don't think so. I don't know what the -- it's a pend code. It's just a code.
Q. I see. So there are three headings here, right? It says HA Pends, HS Pends and HK Pends?
A. Uh-huh.
Q. What's the difference between HA Pends, HS Pends and HK Pends?
A. I believe HA refers to state licensing, and HS refers to more of the controls in suspicious order monitoring.
Q. And then HK?
A. HK I believe is -- HK might be like a first time order. I'm not exactly sure, to be honest with you.
Q. So do I understand it correctly that these letters refer to different reasons

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for why an order might pend?
A. Yeah. They're pend codes, so yes, I believe so.
Q. The next heading says: Customer facing projects for 2014, and then underneath it says: Develop an online tool for Know Your Customer, currently faxing the information to them. The online version will provide an improved customer experience and minimize the number of incorrect responses.
What is that referring to?
A. So that refers to when we used to fax -- and we still do to this day. We do some of these -- when we fax a form to a customer, sometimes customers don't fill it out completely, so the online -- the idea with the online form is that we would make all of the -- all of the boxes mandatory so that they couldn't submit an incomplete form.
Q. And when you're talking about a form, is that the questionnaire that you were describing earlier?
A. Yes.
Q. So once -- let's talk about this time period, which I'm guessing is

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roughly 2014 based on this document, on that heading.
A. Uh-huh.
Q. Once the questionnaire was faxed to the customer and the customer faxes back or returns the questionnaire to Henry Schein in some form or manner, what's the next step in the verification process?
A. The next step is for the form to be reviewed.
Q. And who reviews the form?
A. We have -- we have people on the verifications team that are reviewers that are in that role.
Q. How many?
A. Today, I don't know the exact number. I think we might have between five and ten, somewhere in that range.
Q. How many in 2014?
A. I don't know, probably between three and six. It was probably lower than it is today.
Q. And are there written guidelines for that review of the questionnaire?

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A. Just there's -- I believe there's a work instruction.
Q. When you say a work instruction, is that -- is that a type of document at Henry Schein?
A. Yeah, like a training guide or something like that.
Q. Do you know what that might be called or titled?
A. I don't.
Q. If you were looking to get a copy of it, how would you get a copy?
A. I would ask -- I would ask the regulatory department or I would ask Shaun Abreu.
Q. Did you draft that work instruction?
A. Did I?
Q. Yes.
A. No. I don't believe so.
Q. Have you reviewed that work instruction?
A. Yeah, I believe I've seen it before. I've reviewed it. I don't -- I wouldn't pretend to be an expert on it or

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anything like that.
Q. Did you have any input to -- or did you suggest any changes to the work instruction when you reviewed it?
A. Not that I -- not that I recall. I mean, it's possible I may have over the years if something stood out to me or if something was brought to my attention that was -- that needed to be changed, I certainly may have, but I don't recall anything specific.
Q. Do you know who drafted the work instruction?
A. My -- I would -- I would assume regulatory. I would assume -- I shouldn't be saying assume, but I think Shaun Abreu probably had a hand in that.
Q. And understanding you're assuming, but that assumption is based on your almost 30 years of experience at Henry Schein; is that right?
MR. JONES: Object to the form.
BY MR. ACKERMAN:
Q. What's the basis for your assumption?

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A. Yeah, well, because I -- I haven't been in this role for as long, of course. Regulatory is really responsible for helping to shape the rules, so to speak, the guidelines, and the verifications team is really responsible for enforcement.
So I don't think anything would ever be created by our team without -- without the regulatory team being the ones to initiate it or, you know, to review it and approve it.
BY MR. ACKERMAN:
Q. All right. The next heading on this document says Best Practice Sharing.
Do you see that?
A. Uh-huh.
Q. And then it says to share verifications tip sheet?
A. Uh-huh.
Q. Does that term ring a bell, "verifications tip sheet"?
A. It doesn't. It doesn't. Best practice sharing is something -- it's a company philosophy. We do that throughout the organization, just to make sure that

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we're all sharing and collaborating and making sure that we're sharing.
So that -- it doesn't ring a bell, to be honest with you, but...
Q. And you sort of anticipated my next question, which was what best practice sharing means. But is there -- sharing with whom?
A. Each other. It could be a manager to a manager. It could be supervisors. It could be -- it could be other Team Schein members, so...
MR. JONES: If you get to a transition point, can we take a short break?
MR. ACKERMAN: I was about to say I think it's a good point for a short break, yeah.
THE WITNESS: Sure.
THE VIDEOGRAPHER: The time is now 10:08. Going off the record.
(Recess taken, 10:08?a.m. to 10:30?a.m.)
THE VIDEOGRAPHER: Time is now 10:30. Back on the record.

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BY MR. ACKERMAN:
Q. Thank you, Mr. Brandt.
A. Sure.
Q. I want to ask you a couple more questions about the verifications department. So if you look back at the first page of Exhibit 1, it shows that there are 18 representatives in Melville, nine representatives in Reno, or at least there were at the time of this document. I don't know what the numbers are today.
But is there any difference in the job responsibilities between the representatives in Melville and the representatives in Reno?
MR. JONES: Object to the form.
A. I don't know. I don't know. I don't believe so. I don't know.
BY MR. ACKERMAN:
Q. Okay. At the time you were overseeing -- at the time of this document, which is around 2014, you were overseeing both the Melville team and the Reno team; is that correct?
A. I believe so. I'm not a

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hundred percent sure on that, but I believe so.
Q. And why aren't -- is there -- what causes you not to be a hundred percent sure?
A. That I was over -- I'm not exactly sure when I took responsibility for the -- when I was granted the oversight of that, of the team. Is that what you're asking me? I'm not sure I understand your question.
Q. Yeah, sure. So going back to this verifications department profile document.
A. Uh-huh.
Q. It listed as -- the manager is Shaun Abreu. Do you see that?
A. Uh-huh.
Q. And then the director has your name; is that correct?
A. Yes.
Q. And is it correct at this time that Shaun Abreu reported to you?
A. Yes.
Q. So at the time of this

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document, who was overseeing the Melville verifications department team?
A. Shaun.
Q. And who was overseeing the Reno verifications department team?
A. Shaun, I believe. I believe Shaun had responsibility for both.
Q. And then you were overseeing Shaun?
A. Correct.
Q. Thank you.
To your knowledge, was there any difference in the responsibilities assigned to the Melville verifications department team at the time of this document from the responsibilities assigned to the Reno verifications department team?
A. I don't know. Going back to that year, I don't know.
Q. Okay. At any point in your tenure overseeing the verifications department, has there been any distinction between the responsibilities assigned to the Melville verifications department team and the responsibilities assigned to the Reno

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verifications department team?
A. Not to my knowledge. Not to my -- not that I...
Q. When you say not to your knowledge, does that mean that both the Melville team and the Reno team were doing the same thing --
MR. JONES: Object to the form.
BY MR. ACKERMAN:
Q. -- to your knowledge?
A. I wouldn't say that necessarily. I just don't know that they were doing the same -- if they were doing the same thing.
Q. Did the Melville verifications department team have responsibility for activities relating to orders of class II controlled substances?
MR. JONES: Object to the form.
A. I'm not sure I understand the question.
BY MR. ACKERMAN:
Q. Sure.
At the time of this document --
A. Okay.

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Q. -- roughly 2014 --
A. Right.
Q. -- it says: The verifications team is responsible for ensuring compliance with all state and federal licensure requirements, correct?
A. Correct.
Q. Did the Melville -- the members of the team who were assigned to Melville have responsibility for ensuring compliance with all state and federal licensure regulations -- I'm sorry, state and federal licensure requirements for class II controlled substances?
A. Yes, I believe so.
Q. Did the -- at the time of this document, the Reno verifications department team have responsibility for ensuring compliance with all state and federal licensure requirements with respect to class II controlled substances?
A. Yes.
Q. Has there ever -- during your tenure has there ever been a point in time during which either the Melville

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verifications department team or the Reno verifications department team did not have responsibility for ensuring compliance with all state and federal licensure requirements with respect to class II controlled substances?
A. I don't know. I don't know. Are you asking during my oversight of the department?
Q. Correct.
A. Then -- so can you ask it again.
Q. Sure.
A. I'm sorry, I just don't want to make a mistake here.
Q. No, that's fair.
A. Okay.
Q. During your oversight of the department --
A. Okay.
Q. -- which -- let me just establish this.
I believe based on prior testimony, your oversight of the department is approximately a 15-year period; is that

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correct?
A. 15 years? I don't believe it's been that long.
Q. So it was 13 years as director?
A. Uh-huh.
Q. Is that right?
A. Yes.
Q. And then one to two years as executive director?
A. Yes.
Q. So 14 to 15 years is approximately the tenure of your oversight of the department; would you agree with that?
A. Approximately, yes.
Q. So during that 14- or 15-year period, was there ever a point in time during which either the Melville verifications department team or the Reno verifications department team did not have responsibility for ensuring compliance with all state and federal licensure requirements with respect to class II controlled substances?
A. No.
Q. I apologize if I asked this earlier, but did your job responsibilities

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change at the time you were promoted from director of customer service to executive director?
A. Not -- not -- no, not much.
Q. When you say not much, was there any change?
A. Nothing I can think of here, yeah.
Q. And then you went from executive director to vice president --
A. Yesterday.
Q. -- yesterday, so...
Will your job responsibilities change or have they changed already?
A. They haven't changed yet. I'm sure they probably will evolve. It's usually more of an evolvement than a direct -- when you get the title, you don't -- there's not always change. Usually it's more of a grooming situation, where you're -- by the time you get promoted, it's -- you're -- normally you're already kind of doing what they would like you to do.
Q. During the period that you were director of customer service and your -- or

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executive director of customer service, was Mr. Abreu always within the department?
A. Yes.
Q. And did he have the same general role during that time period?
A. Yes.
Q. So what were Mr. Abreu's responsibilities with respect to the verifications department during that 14-, 15-year time period?
MR. JONES: Object to the form.
A. Yeah, because it -- there's been -- there's been changes over that time period.
BY MR. ACKERMAN:
Q. Okay. So at the beginning, what were Mr. Abreu's job responsibilities?
A. Can you -- I don't know what that means.
Q. Sure.
A. The beginning.
Q. At the time that -- whenever it was that you assumed responsibility for the verifications department which was at some point after you became director of customer

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service, correct?
A. Correct.
Q. Was Mr. -- did Mr. Abreu have responsibility for the verifications department at that same time?
A. No.
Q. For approximately how long were you overseeing the verifications department before Mr. Abreu had responsibility for that department?
A. Several years.
Q. So during that -- we'll call it that initial several-year period, what were your job responsibilities with respect to the verifications department?
A. Just general oversight of support, more of a supportive role, I guess, and trying to make sure that they had what they need to do their jobs effectively.
Q. So does general oversight mean ensuring that individuals complied with company policies?
MR. JONES: Object to the form.
BY MR. ACKERMAN:
Q. Let me ask the question

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differently.
A. Yeah.
Q. During that -- you said you had general oversight. What does general oversight mean?
MR. JONES: Objection, asked and answered.
A. Making sure that the team is -- has what they need to do -- to do their job; supporting the manager of the department, collaborating with the regulatory department.
BY MR. ACKERMAN:
Q. Who was the manager during that initial several-year period?
A. Lisa Matalon.
Q. And is Lisa Matalon still with Henry Schein?
A. Yes.
Q. And what position is she now?
A. Lisa is the director of customer service.
Q. Before the break, you made a distinction between the regulatory department and the verification department.
A. (Nods head.)

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Q. I'm going to ask a few more questions about that.
A. Okay.
Q. What is the difference at Henry Schein between the regulatory -- the regulatory department and the verifications department?
MR. JONES: Object to the form.
A. The regulatory department is comprised of primarily lawyers, and they're responsible for establishing the business rules and regulations.
The license verifications team is responsible really for the enforcement of the business rules. We collaborate -- we collaborate quite closely with them.
BY MR. ACKERMAN:
Q. During that initial several-year period before Mr. Abreu became manager of customer service, did your job responsibilities include ensuring that the representatives that you oversaw were enforcing the rules correctly?
MR. JONES: Objection.
A. No.

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BY MR. ACKERMAN:
Q. Was there anyone else at Henry Schein who was responsible for determining whether -- during that several-year period, was there anyone else at Henry Schein who was responsible for determining whether the representatives were enforcing the rules correctly?
MR. JONES: Same objection.
A. Yes.
BY MR. ACKERMAN:
Q. And who was that?
A. The regulatory department; the manager, our manager.
Q. The manager meaning Lisa Matalon?
A. Uh-huh.
Q. Is that a yes?
A. Yes. Yes. Sure.
Q. And then once Mr. Abreu joined -- at some point in time, Mr. Abreu joined the verifications department; is that correct?
A. He started as the supervisor of verifications, I believe.

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Q. Okay. Maybe we should make it even more elementary probably for me.
A. Okay.
Q. But what is the leadership -- or in -- when you started with the verifications department, what was the leadership structure of the verifications department?
MR. JONES: Object to the form.
A. At the time I took responsibility --
BY MR. ACKERMAN:
Q. Yes.
A. -- for it, it was included in my other scope of managing the customer service teams. Lisa Matalon was hired as the manager of customer service for Melville, New York, and she also had responsibility, I believe, for the verifications team in Melville, New York.
Q. When you assumed responsibility for the verifications department, was there any verifications department in Reno?
A. Yes.
Q. And who had responsibility for

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the verifications department in Reno before you assumed responsibility for that department?
A. It was from New York, so I believe it was Donna Remondino, Lisa Matalon.
Q. So at some point in time -- and we're not quite sure of the year -- you assumed responsibility for the verifications department, correct?
A. Yes.
Q. Did you have direct oversight responsibility over the sales representatives?
A. No.
Q. Who had direct oversight responsibility over the sales representatives at that point in time?
MR. JONES: Object to the form.
A. I need more specifics. I need you to tell me what -- I don't know. We have multiple divisions of sales.
BY MR. ACKERMAN:
Q. Okay. So I'm talking about just the verifications department. And so there was a point when you became -- or when

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your role as director of customer service included oversight of the verifications department?
A. Yes.
Q. And the -- it looks here there were the verifications department -- if you look at Exhibit 1, there are in Reno representatives and a supervisor; is that correct?
A. Yes.
Q. At the time that you assumed responsibility for the verification department, were there representatives and a supervisor in Reno?
A. Yes.
Q. And who was the supervisor in Reno?
A. Maggie Koromi.
Q. And is Ms. Koromi still with Henry Schein?
A. Yes.
Q. And what is her position?
A. Supervisor of verifications in Reno.
Q. Has she held that position

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throughout the entire time?
A. She started as a customer service rep.
Q. So Ms. Koromi had a direct supervisor, correct?
A. Yes.
Q. And when you first assumed responsibility for the verifications department, who was Ms. Koromi's direct supervisor?
A. I believe it was Donna Remondino or Shaun.
Q. And what was Donna Remondino's position at --
A. She was -- I apologize.
Q. Yeah.
-- at that time?
A. I apologize.
I believe supervisor of verifications.
Q. And what was Mr. Abreu's position at that time?
A. At that time I believe Shaun was in gatekeeping. I believe he was a team leader in our gatekeeping group.

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Q. And then I assume that Ms. Remondino or Mr. Abreu had a direct supervisor with respect to their responsibility with the verifications department; is that right?
A. Uh-huh. Yeah. Can you clarify what year?
Q. Yeah.
A. Okay.
Q. I'm still talking about the initial period when you took over the -- or when you assumed responsibility --
A. Okay.
Q. -- for the verifications department.
MR. JONES: Let me just jump in. I know we produced it. I don't know if you have it, but the org charts, that might facilitate some of this.
MR. ACKERMAN: Okay.
MR. JONES: But I don't know if you've got them.
MR. ACKERMAN: Yeah, I don't have them with me.

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MR. JONES: Never mind. I was going to say if you have them in there, wheel them out and probably --
MR. ACKERMAN: No, I understand.
BY MR. ACKERMAN:
Q. That initial period, to whom did Ms. Remondino report?
A. I believe Lisa.
Q. Lisa Matalon?
A. I believe so.
Q. And then Lisa Matalon reported to you?
A. Yes.
Q. Understood.
And that reporting structure, I'll call it, where you have -- it looks like a supervisor to a manager; is that right?
A. Uh-huh. Yes.
Q. And then a manager to a director; is that right?
A. Yes. Yes.
Q. Is that still in place today?
A. Shaun is director today, and Maggie is the supervisor of the Reno team,

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and we have a supervisor in Melville now, Christine Stratton, and they both report to Shaun directly.
Q. Okay. Thank you.
So going back to kind of my original line of questioning on this, which is it's your testimony that the regulatory department is responsible for writing the rules and the verifications department is responsible for enforcing the rules; is that right?
MR. JONES: Object to the form.
A. I believe so.
BY MR. ACKERMAN:
Q. And that's with respect to suspicious order monitoring, correct?
A. Regulatory is responsible for the -- for the creation of the policies.
Q. For suspicious order monitoring?
A. Right.
Q. Then the verifications department is responsible for enforcing those policies with respect to suspicious order monitoring; is that right?

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A. Yes.
Q. So the question I have is: Who is responsible for ensuring that the policies with respect to suspicious order monitoring that are written by the regulatory department are enforced correctly?
MR. JONES: Object to the form.
A. Regulatory. We partner with regulatory, and it's -- I guess I suppose it's all of our responsibilities.
BY MR. ACKERMAN:
Q. Okay. And how does -- has regulatory -- let's talk about today.
Is regulatory responsible for ensuring that policies concerning suspicious order monitoring of controlled substances are enforced correctly?
MR. JONES: Object to the form.
A. I don't know. Yeah, I don't know.
BY MR. ACKERMAN:
Q. Okay. Today who is responsible for ensuring that the sales representatives in the verifications department are correctly enforcing policies concerning suspicious

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order monitoring of controlled substances?
MR. JONES: Object to the form.
A. There's no salespeople in verifications.
BY MR. ACKERMAN:
Q. Okay. So I'll state it differently. Thank you.
A. Okay.
Q. Today at Henry Schein, who or what department is responsible for ensuring that the representatives in the verifications department are correctly enforcing policies concerning suspicious order monitoring of controlled substances?
MR. JONES: Object to the form.
A. Our regulatory department and our -- and our verifications management team.
BY MR. ACKERMAN:
Q. And how does the regulatory department go about ensuring that the policy -- that the verifications department is correctly enforcing policies related to suspicious order monitoring of controlled substances?
MR. JONES: Object to the form.

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Answer, if you know.
A. I don't know. I don't know.
BY MR. ACKERMAN:
Q. How does the verifications department management team go about ensuring that the verifications department representatives are correctly enforcing policies related to suspicious order monitoring of controlled substances?
MR. JONES: Object to the form.
A. Yeah, I really don't know.
BY MR. ACKERMAN:
Q. Okay. If you wanted to find out how the regulatory department goes about ensuring that those policies are correctly enforced, how would you do it?
A. I would ask Shaun or our regulatory department.
Q. Who in the regulatory department would you ask?
A. Normally Sergio Tejeda or Jeff Peacock.
Q. And if you wanted to find out how the verification management team goes about ensuring that those policies are

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correctly enforced, how would you find out?
A. I would ask Shaun, Maggie or Christine.
Q. I'm sorry, the last name was Christine?
A. Christine Stratton. She's the supervisor in Melville.
Q. During your entire tenure of overseeing the verifications department, have your job responsibilities ever included ensuring that the verifications department representatives are correctly following policies related to suspicious order monitoring of controlled substances?
MR. JONES: Object to the form.
A. I don't -- I don't think so.
BY MR. ACKERMAN:
Q. During your entire tenure at Henry Schein, have you ever been involved in the development of suspicious order monitoring policies at the company?
A. No.
MR. JONES: Object to the form.
A. No.
MR. JONES: Just pause so that

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I don't interrupt you --
THE WITNESS: I'm sorry.
MR. JONES: -- or him. Thank you.
BY MR. ACKERMAN:
Q. During your tenure, your entire tenure at Henry Schein, have you been involved in any disciplinary actions against any verifications department representatives for failing to properly follow Henry Schein's suspicious order monitoring policies?
MR. JONES: Object to the form.
MR. ACKERMAN: What's the basis for that objection?
MR. JONES: It's overly broad, vague and ambiguous as to disciplinary actions, to failing to properly -- whatever properly means -- follow Henry Schein's suspicious order monitoring policies. Which policies are these specific SOPs? Are they pertaining to regulatory policies? Are they pertaining to verifications policies, and what time period?
MR. ACKERMAN: Well, the time

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period is in the -- it's not even worth the argument.
BY MR. ACKERMAN:
Q. During your tenure overseeing the verifications department, were you involved in any disciplinary actions against verifications department representatives?
A. Nothing specifically that I recall.
Q. Did disciplinary actions for verifications department representatives fall within your job responsibilities?
A. Not directly, no.
Q. There were others who would have been responsible for that?
A. Yes.
Q. And who would those people have been?
A. The department manager, department supervisors.
MR. ACKERMAN: Let's mark this as Exhibit 2.
(HenrySchein-Brandt Deposition Exhibit 2 marked.)
///

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BY MR. ACKERMAN:
Q. Mr. Brandt, the court reporter has handed you what's been marked as Exhibit 2, which is a multipage document numbered HSI-MDL_00404226 through 00404228.
I just noticed my copy of the pages are out of order. Are they out of order on your copy as well?
A. I'm not sure.
Q. No, it looks like yours --
MR. JONES: Mine's in order.
MR. ACKERMAN: Yeah, so let me rearrange mine so that we're talking about the same document.
THE WITNESS: Okay.
BY MR. ACKERMAN:
Q. Take a moment to review this document, let me know when you've had a chance to review it.
A. Okay.
(Document review.)
A. Okay.
BY MR. ACKERMAN:
Q. You've reviewed it?
A. Yes.

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Q. Have you seen this document before?
A. I don't recall from 1998. It was before my...
Q. Yeah. I see the date --
A. Yeah. Yeah.
Q. -- and that's the reason I'm asking.
A. Yeah.
Q. The document is titled Henry Schein Inc. Verification Procedures for Controlled Drug Orders.
Do you see that?
A. Yes.
Q. Are you aware of written procedures for controlled drug orders that were in existence during your oversight, the time period that you oversaw the verifications department?
A. Yes.
Q. Were they similar to these procedures?
MR. JONES: Object to the form.
A. I don't know. I don't know. It's an evolution, so we update. The

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regulatory team from time to time updates these, and we partner with them to help update. Hence, they can try to keep them consistent.
BY MR. ACKERMAN:
Q. Are you involved with the updating of the verification procedures -- let me reask that question.
A. Okay.
Q. Were you involved during your tenure overseeing the verifications department with updates to the verification procedures for controlled drug orders?
A. No, I don't believe so.
Q. Skip to the third page, if you would, of this document, the Bates number 4228.
That number says: HSI reports orders to the local DEA office prior to shipment if HSI determines after review that the order is suspicious.
Do you see that sentence?
A. Uh-huh, I do.
Q. Was that Henry Schein's policy during your tenure overseeing the

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verifications department?
A. Like I said, I -- the policies have -- they're updated regularly, and it happen -- it comes from the regulatory department. So I would say generally yes, but it has -- the policies and procedures have evolved significantly since this time.
Q. Okay. So the first part of the sentence says: HSI reports orders to the local DEA office.
Have you at any point during your tenure at Henry Schein had any role in reporting orders to the local DEA office of controlled substances?
A. Myself, no.
Q. Okay. Who at Henry Schein had -- was responsible for reporting orders of controlled substances to the local DEA office?
MR. JONES: Object to the form.
Is there a time period that you're wanting to focus on?
MR. ACKERMAN: Sure.
BY MR. ACKERMAN:
Q. During your tenure at

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Henry Schein.
A. So the regulatory team, the department manager. So I think it -- those would be the two that primarily were probably responsible for that.
Q. All right. And then the second half of the sentence says, "if HSI determines after review that the order is suspicious."
Do you see that phrase?
A. Uh-huh.
Q. During your tenure at Henry Schein overseeing the verifications department, did you have any role in conducting the review as to whether an order was suspicious or not?
A. No.
Q. And during that same time period, who generally was responsible for conducting that review?
A. The representatives, so it would be the verifications representatives.
Q. Thanks.
So here's what I'm trying to understand.
A. Okay.

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Q. What other responsibilities did the verifications representatives have?
MR. JONES: What time period?
BY MR. ACKERMAN:
Q. During your tenure overseeing the verifications department --
MR. JONES: Object to the form.
BY MR. ACKERMAN:
Q. -- did the verifications representatives do anything other than reviewing orders to determine whether they were suspicious?
MR. JONES: Object to the form.
A. Answer phone calls to do the same.
BY MR. ACKERMAN:
Q. Answer phone calls from --
A. From customers, yeah.
Q. Regarding special suspicious orders?
A. Yeah, reaching out to customers to get a copy of the license, answering a question if there was a question, advising them that an order was pending for review.
Q. So if your job responsibility

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as director of customer service included oversight of the verifications department, what aspects of the -- what aspects of the verifications department were you overseeing if you weren't involved in the review of orders as to whether they were suspicious or if you weren't involved in reporting orders to the local DEA office?
MR. JONES: Object to the form, asked and answered.
A. So it wasn't my direct responsibility. It was the responsibility of the agents or supervisor and manager.
BY MR. ACKERMAN:
Q. So what was your direct responsibility?
A. I had a responsibility for customer service. I had responsibility for the gatekeeping team and for the license verification team overall, to provide support to ensure that they had what they needed to do their job, to collaborate with the regulatory team when it comes to license verifications.
Q. When you say for the

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verifications -- let's just focus on the verifications team.
A. Okay.
Q. To have what they needed to do to perform their job, what does that mean?
A. To make sure that the manager and the supervisors were managing the department the right way, that they had the staffing that they needed to help establish goals, things like that.
Q. Were you involved in establishing goals for the department?
A. Generally not. Generally it was the manager and the supervisors doing that.
Q. Were you aware during your tenure of the goals for the department?
A. Generally, yes.
Q. And was part of your job responsibility ensuring that those goals were met?
A. I would say yes.
Q. Did the goals for the verifications department include compliance with Henry Schein's suspicious order

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procedures?
A. The goals? I don't think there was ever a goal that specifically said that, no.
Q. What were some of the goals that the verifications department sought to meet during your tenure?
A. Abandonment rate, making sure we're answering the phones quickly, making sure we're reviewing orders correctly and accurately and making sure that the orders were released timely so they could get shipped on time to the customers once they were cleared. Those are some of the key goals.
Q. All right. Let's talk through some of those key goals.
The abandonment rate, why was that a key goal?
A. Why was it a key goal?
Q. Yeah.
A. It's a key goal in all of the three departments that we -- that I oversee, so it's important to us that when customers call, that we try to pick up their phone

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calls quickly as we can. We have to provide good service.
Q. Because if you don't meet that goal, what could happen?
A. If we don't meet that goal, the abandonment rate would be high. We could lose customers. We could cause customers to be dissatisfied.
Q. Okay. So the next one you said is: Making sure we're reviewing orders correctly and accurately.
A. Uh-huh.
Q. Is that right?
MR. JONES: You have to say yes, no.
A. No, I'd say no to -- can you --
BY MR. ACKERMAN:
Q. Yeah. So I'm reading this off the screen, so I want to make sure I understand what this goal is.
A. Okay. Okay. Okay.
Q. So the next one I have on this screen is: Making sure we're reviewing orders correctly and accurately and making sure that the orders were released timely so

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they could get shipped on time.
A. Uh-huh.
Q. I think those might be two different goals or maybe it's one goal. I don't know. But that's my question.
First of all, is that one goal or is that separate goals?
A. That's two separate goals.
Q. Okay. So what is the first goal there?
A. The first goal is an accuracy -- overall accuracy rating for a rep.
Q. All right. And what does the accuracy rating measure?
A. I don't know. I know that's a goal, but it's really administered by the department manager and the supervisor.
Q. Okay. And then the second goal is the timely release, is that right, of orders, right?
A. Yes. Yes.
Q. And what cause -- what would cause an order to not be released timely?
MR. JONES: Object to the form.

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A. There's a lot of different variables.
BY MR. ACKERMAN:
Q. What are some of them?
A. To not be released timely?
Q. Yes.
A. If it's being reviewed, if it's -- there's different reviews, so it could be being reviewed in credit. It could be reviewed in verifications. It could be a new account that we're doing additional due diligence.
Q. But in terms of a goal for the verifications department, right?
A. Uh-huh.
Q. How would the verifications department measure whether it met its goal for orders being released timely?
A. We have a metric. There's a metric that Shaun and the team use to measure -- to measure getting the amount of orders that we're able to get to the distribution center in time to ship.
Q. And do you know what that metric is?

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A. I believe 98% currently.
Q. And that means 98% of what?
A. 98% of the orders that come in that we're able to -- that we're able to validate and approve, that we get those to the shipping distribution center in time for them to pick, pack and ship so that it will make it to the customer.
Q. Does the verifications department review every order?
A. No.
Q. What is the subset of orders that are reviewed by the verifications department?
A. The orders that pend to us.
Q. All right. Is the timely release metric measured against all orders that are reviewed by the verifications department?
MR. JONES: Object to the form.
A. It's a metric against the orders that get released.
BY MR. ACKERMAN:
Q. Take a look at the third page of Exhibit 2.

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A. Uh-huh.
Q. And there are four numbered items. I'm going to focus on the fourth one, which says -- and so the lead-in information or lead-in sentence says: In these situations one of the following will occur.
Do you see that?
A. Uh-huh, yeah.
Q. Then number 4 says: The division head of the medical, dental or veterinary department will review the customer's account and determine if the orders are compatible with the practitioner's type of practice and the customer's purchasing pattern.
Do you see that sentence?
A. I do.
Q. Okay. Are you familiar with that process at Henry Schein?
A. No.
Q. Was that process -- are you aware during your tenure overseeing the verifications department of any instance in which a division head of the medical, dental or veterinarian department reviewed the

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customer's account to determine if the orders are compatible with the practitioner's type of practice and the customer's purchasing pattern?
A. No.
MR. ACKERMAN: All right. You can put that one aside.
Let's mark this as Exhibit 3.
(HenrySchein-Brandt Deposition Exhibit 3 marked.)
BY MR. ACKERMAN:
Q. Mr. Brandt, the court reporter has handed you what's been marked as Deposition Exhibit 3. It's a multipage document numbered HSI-MDL_194 through 204.
Take a moment to just review this document. Let me know if you've -- and let me know when you've had a chance to review it.
A. Okay.
(Document review.)
BY MR. ACKERMAN:
Q. Have you reviewed the document?
A. Yes.
Q. Have you seen this document

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before?
A. I guess I would say no. I don't recall. I may have, but I don't recall anything specifically. It's from 2012, so just prior to my -- I think prior to my involvement with verifications.
Q. Okay. You testified earlier that you reviewed SOPs, when you assumed responsibility for the verifications department; is that right?
A. I probably did, yes.
Q. Okay.
A. Yeah.
Q. Do you recall the names or subjects of any of the SOPs that you reviewed?
A. I don't. I don't recall the exact document names. Probably would have been something like this.
Q. In 2012, you were still director of the customer service department, correct?
A. Uh-huh.
Q. Did you -- yes?
A. Yeah.

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Q. And this Exhibit 3 is an example of an SOP; is that right?
A. Yes.
Q. Did you review this SOP in December 2012 or anytime thereafter?
A. I don't know. I didn't sign it, so yeah, I don't know.
Q. And so that was -- one of the questions I had, so we can just go there.
A. Yeah.
Q. At the top of the first page of Exhibit 3, it says title, document number, prepared by, and then approved by, and there are some signatures, correct?
A. Yes.
Q. Do you recognize those signatures?
A. I -- I believe so, yes.
Q. And whose signatures appear on that approved by line?
A. Jim Mullins and Sergio Tejeda.
Q. So at this time, in 2012, you reported to Jim Mullins, correct?
A. Yes.
Q. And then the line directly

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above it says: Prepared by Shaun Abreu and Lisa Matalon, right?
A. Yes.
Q. And both of those individuals reported directly to you; is that right?
A. Yes. Yes.
Q. So this document, would you agree, was prepared by individuals who reported directly to you --
A. Yes.
Q. -- and then was approved by the person to whom you directly reported; is that accurate?
A. He was one of the approves, yes, in regulatory.
Q. Did you have any -- did you have any input into the drafting of this SOP?
A. Not that I recall.
Q. Did you draft the SOP?
A. Not that I recall, no.
Q. Were you involved in any discussion concerning the drafting of this SOP?
A. Nothing specific that I recall, but possibly.

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Q. Were you involved in any discussions concerning the need for revisions to an SOP?
A. Possibly. I don't recall from back here, though.
Q. Okay.
A. Yeah.
Q. If you turn to the second page of this document, there's a chart that says Revision History.
Do you see that?
A. Yes.
Q. And here it says: Original, replaces R-03.10, suspicious orders monitoring system review and release procedure.
Do you see that?
A. I do.
Q. Do you know what that means?
A. I take that to mean that this document replaced a prior work instruction document.
Q. It says: Issued December 3rd, 2012?
A. Yes.

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Q. Is that the issue date of the prior SOP?
A. It looks like it's the issue date of this document.
Q. If you look on the first page under the heading Revised.
Do you see that?
A. Uh-huh.
Q. It says Original Issue.
A. Uh-huh.
Q. What does that mean, Original? Do you know what that means, Original Issue?
A. I don't. I don't.
Q. Is this document the first time that Henry Schein's suspicious order monitoring process was put in writing?
A. I don't know.
Q. If you wanted to know what the first time was that Henry Schein's suspicious order monitoring policy was put in writing, how would you find out?
A. I would ask regulatory.
Q. Who in regulatory?
A. Probably Sergio Tejeda or Jeff Peacock.

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Q. Look at page -- I guess it's page 3 of this exhibit.
A. Okay.
Q. Under the heading Controlled Substances Monitoring Procedure.
Do you see that?
A. Yes.
Q. It says: Based on the federal DEA requirements of the Controlled Substances Act, all distributors of controlled substances are required to "Know Your Customer" and establish a system process to monitor orders of unusual size and frequency.
Do you see that, that sentence?
A. I do, uh-huh.
Q. And I think we talked before: Who at Henry Schein was responsible for enforcing the system process or system/process to monitor orders of unusual size and frequency?
A. Who's responsible?
Q. Yes.
A. The team that's responsible?
Q. Yes.
A. Would be the verifications team.

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Q. Okay. The next paragraph says: In 2008 Henry Schein Inc. engaged a DEA consulting firm to help design and implement an enhanced suspicious order monitoring system to comply with the DEA Know Your Customer requirement.
Do you see that sentence?
A. I do.
Q. Okay. Were you involved with Henry Schein -- or did you have any involvement in Henry Schein engaging a DEA consulting firm to help design and implement an enhanced suspicious order monitoring system?
A. I'm aware of it, yeah.
Q. Were you involved in the process?
A. No.
Q. How were you aware or how did you become aware that Henry Schein engaged a DEA consulting firm in 2008?
A. Conversations with regulatory.
Q. Were you told why Henry Schein engaged a DEA consulting firm in 2008?

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A. Yes.
Q. And what were you told?
A. My understanding was to help create a threshold, systemic algorithm for the order pend process.
Q. Do you know who the DEA consulting firm is or was?
A. I believe Buzzeo, Ron Buzzeo.
MR. JONES: Dave has never heard of them.
MR. ACKERMAN: Oh, I think we will by the end of today.
BY MR. ACKERMAN:
Q. Let's go to page that's Bates numbered HSI-MDL_198.
A. Okay.
Q. There's a heading that says Verifications File Review Process.
Do you see that?
A. I do, yeah.
Q. Is this the process that would be -- or should be followed by the verifications team to determine whether to ship a pended order?
MR. JONES: Object to the form.

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A. Can you ask your question again?
BY MR. ACKERMAN:
Q. Yeah. Sure. What -- let's just ask it this way.
What process is described under this heading here, Verifications File Review Process?
MR. JONES: Object to the form.
The document speaks for itself.
A. It appears to be the Know Your Customer questions, some of the Know Your Customer questions.
BY MR. ACKERMAN:
Q. And the Know Your Customer questions are contained in the questionnaire that you described earlier, right?
A. Yes.
Q. And the verifications department was the department responsible for sending out that questionnaire, correct?
A. Yes.
Q. And the verifications department is the department responsible for reviewing the returned questionnaires, right?

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A. Yes.
Q. So does this section here at the bottom of page 198, continuing on to the page numbered 199 -- does this section describe the process to be followed by the verifications department?
A. I don't know. The instructions aren't that clear.
Q. So the first sentence says: Once the questionnaire is filled out by the customer, the document will be reviewed to see if the information they provided will justify the release of their current and future orders.
Do you see that sentence?
A. Yes.
Q. Who conducts the review of the questionnaire to see if the information the customer provided will justify the release of current and future orders?
A. Our verifications -- we have a position called reviewer, so we have people who do that.
Q. Okay. Is anyone else responsible for reviewing that questionnaire?

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A. The manager can get involved. The supervisor may assist. But generally it's the reviewers that would be reviewing the questionnaires when they come back.
Q. And the reviewers, the manager, the supervisor, they're all members of the verifications department, right?
A. Yes.
Q. The next sentence says: The below items are looked at during the decision-making process.
So I want to walk through each of those items and just ask what it is the person is looking for.
A. Okay.
Q. The first one says: Is the customer self-medicating?
And what does the reviewer look at to determine whether the customer is self-medicating?
A. We specifically ask that question on the questionnaire, if they are self-medicating, if they're using the controlled substances for their own -- for themselves.

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Q. And the customer is required to respond to that question?
A. Yes.
Q. Other than the customer's response, does the reviewer -- or let's say at this time in 2012, did the reviewer look at anything else to determine whether the customer might be self-medicating?
A. I don't know.
Q. If you wanted to know, how would you find out?
A. Ask regulatory or Shaun.
Q. All right. The next bullet point says: Is the customer treating family and friends.
Do you see that?
A. I do.
Q. How does the reviewer determine whether the customer is treating family and friends?
A. There's a specific question that asks that, asks the customer that question.
Q. On the questionnaire, right?
A. On the questionnaire.

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Q. And the customer has to answer that question and return the questionnaire to Henry Schein, correct?
A. Yes.
Q. Does the reviewer look at anything other than the questionnaire to determine whether the customer is treating family and friends as part of the review process?
A. I don't know.
Q. And if you wanted to know, how would you find out?
A. I would ask Shaun or regulatory.
Q. Okay. The next one says: Do they accept insurance.
Do you see that?
A. Uh-huh.
Q. Is that also a question on the questionnaire?
A. I believe it is.
Q. Okay. And then there's percentage of -- I'm going to try to shortcut this a little bit.
A. Okay.

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Q. I think we all can see where it's going, right?
A. Okay.
Q. Percentage of out-of-state patients, scope of practice, these three topics, are they all questions on the questionnaire?
A. I do believe they are.
Q. All right. And the customer is required to answer those questions on the questionnaire and return it to the company, correct?
A. Yes.
Q. And then does the reviewer look at any information aside from the answer on the questionnaire to determine whether the answers are accurate?
MR. JONES: Object to the form.
I assume you're asking him as of the time of this SOP?
MR. ACKERMAN: Yeah, at the time of the SOP.
A. Yeah. I don't know. I don't know.
///

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BY MR. ACKERMAN:
Q. Okay. A couple more bullet points here, right?
A. Okay.
Q. Scope of practice? Of total patients the practice sees, what percentage receives controlled substances? How many practitioners are in the office?
Those next three, are those all questions on the questionnaire?
A. I believe they are.
Q. Were they questions on the questionnaire as of 2012?
A. I don't know.
Q. What -- what information would the reviewer look at during the decision-making process to review the -- whether the information provided justifies the release of current and future orders for those three bullet points?
A. The questionnaire?
Q. Yeah, the questionnaire, right.
Do you know whether the reviewer would look at anything other than the questionnaire?

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A. I don't.
Q. Sorry, I lost my place here. I had to scroll up.
A. Okay.
Q. The size of the practice to justify quantities.
Do you see that bullet point?
A. Yes.
Q. What information would -- or does -- did -- let me ask the question again. Start over.
A. Okay.
Q. Size of the practice to justify quantities. In 2012 pursuant to this SOP, what information did the reviewer review to determine whether the size of the customer's practice justified the quantities of controlled substances ordered?
A. I don't know.
Q. If you wanted to know, how would you find out?
A. Shaun. I would ask Shaun or regulatory.
Q. All right. Let me skip one and go to: Google search reviews to see patient

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customer feedback.
Do you know what that means?
A. I'm generally aware of what that is.
Q. So what is your general awareness?
A. My understanding is doing a Google search to make sure that it's a physical -- that there's a physical building at the address that we're conducting our due diligence on; it's not an empty lot.
Q. Got it. Let's skip to the next page.
A. Okay.
Q. There's a heading that says Justification Letter, right?
A. Yes.
Q. You see that first sentence says: If after completing our due diligence, the reviewer's assessment of the account is inconclusive based on the information provided, Verifications will request a justification letter from the customer.
Do you see that sentence?
A. I do, yeah.

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Q. The word "Verifications" is capitalized. Does that refer to the verifications department?
A. Yes.
Q. And what is the justification letter?
A. I don't know specifically. I know that it's a letter to get additional information from a customer.
Q. Okay. And if you skip down a little bit, it's -- there's a sentence that begins: If the justification letter does not satisfy our concerns.
Do you see that?
A. Yes.
Q. It says: Then the customer's file will be escalated to the verifications management team for additional review.
Do you see that?
A. I do. Yeah.
Q. Who is the verifications management team?
A. The supervisor and the manager.
Q. Okay. So you as the director didn't play any role in reviewing or what

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I'll call second-level reviewing of the -- of the review process, the verifications review process?
A. No.
MR. ACKERMAN: I tell you what. Let's take a -- let's go off the record for a moment.
THE VIDEOGRAPHER: The time is now 11:45. Going off the record.
(Recess taken, 11:45?a.m. to 12:37?p.m.)
(HenrySchein-Brandt Deposition Exhibit 4 marked.)
THE VIDEOGRAPHER: The time is now 12:37. Back on the record.
BY MR. ACKERMAN:
Q. All right. Mr. Brandt, we're back on the record.
A. Okay.
Q. The court reporter has handed you what's been marked as Exhibit 4. It's a multipage document beginning at Bates number HSI-MDL_184 through 193.
Take a moment to review this document. Let me know when you've had a

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chance to review it.
A. Okay.
(Document review.)
BY MR. ACKERMAN:
Q. All right. You've reviewed it?
A. Yes.
Q. Do you recognize Exhibit 4?
A. I've seen it. It's a procedure, revised in 2012.
Q. Okay. And -- I'm sorry, revised in --
A. It looks like 2012 is the date on it, right, or revised on 2016, March 31st.
Q. So let me ask this: Do you have Exhibit 4 in front of you?
A. Yes.
Q. And do you have Exhibit 3 in front of you?
A. I do.
Q. Is Exhibit 4 the procedure that revised Exhibit 3?
A. According to this, it says that it is, yes.
Q. And if you look on Exhibit 4 at the third page under Revision History?

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A. Yes.
Q. Does that history indicate that there were any revisions in this policy that occurred between Exhibit 3 and Exhibit 4?
A. It doesn't look like that, no.
Q. Thank you.
Discussing -- or looking at Exhibit 4 now.
A. Okay.
Q. On the first page, it says prepared by Shaun Abreu.
We discussed who Mr. Abreu is.
A. Uh-huh.
Q. And Tina Steffanie-Oak. Do you see that name?
A. I do.
Q. Who was or is Tina Steffanie-Oak?
A. Tina Steffanie-Oak was in the regulatory department.
Q. Okay. Is she still with Henry Schein?
A. No, she's not.
Q. What position -- in 2016 what position did Ms. Steffanie-Oak have with the

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regulatory department?
A. I don't know. I just know she was in that department.
Q. Do you recognize the approval signatures on Exhibit 4?
A. No, not really. I can't make them out.
Q. Neither of those signatures are yours, are they?
A. No.
Q. Did you have any involvement in the drafting of Exhibit 4?
A. No.
Q. Were you in -- involved in any discussions regarding any revisions to this SOP that resulted in Exhibit 4?
A. No, not that I recall.
Q. Did you have any input into the creation of Exhibit 4?
A. I don't think so, no.
Q. Or the document of Exhibit 4?
A. No.
Q. I'm going to ask you a couple of questions about some changes from Exhibit 3 to Exhibit 4.

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A. Okay. Okay.
Q. So it might help to have them side by side.
A. All right.
Q. If you look at -- on Exhibit 3, there's a heading that's number 5. It says Related Documents.
Do you see that?
A. I do, yeah.
Q. And there's an underline under that that says Customer Due Diligence Questionnaires, right?
Do you see that reference?
A. I do.
Q. And that reference is to the questionnaires that you've testified about earlier that go out to customers, correct?
A. It looks like that, yeah. Yes.
Q. On Exhibit 4, it looks like that the title of the document changed; is that right? It now says Controlled Substance Forms.
Do you see that?
A. Yes.
Q. Do you know why? Is that a

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different document altogether, or is that just a change in the title?
A. I don't know exactly. I would say it's a change in title based on the -- based on the subheadings below, the questions below it.
Q. Right. And the headings below, it looks like in Exhibit 3 it says Practitioner Questionnaire, and in Exhibit 4 it says Practitioner Form.
Do you see that?
A. Yes.
Q. Were you involved in any discussions regarding the decision to -- the change in title of the document from a questionnaire to a form?
A. Not that I'm directly aware of. There were discussions about his questionnaire, the right -- so I do recall some general discussions about that, and is questionnaire the right word, should it be form. I do remember some discussions.
Q. What was the concern about -- what concerns were expressed about the use of the term "questionnaire"?

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A. My recollection of that is the term "questionnaire" is like a survey, so customers -- it didn't always -- in our opinion, it didn't always reflect that -- you know, the urgency of it or -- there was -- you know, or that they wouldn't complete it. Yeah.

Q. At what point in time did the title of the document change?

A. Oh, I don't know. So apparently between 2012 and 2016 sometime. I don't know the exact date.

Q. Okay. There's a new form listed there, if you compare the two documents. It looks like, first of all, weight loss addendum and testosterone addendum were deleted. Do you know what the weight loss addendum and testosterone addendum reference in Exhibit 3 are?

A. I think they're just on the other page, on the top of page 2.

Q. You're right. But what are they?

A. What are they? The addendums are used to get additional information from a

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customer. That's my understanding.

Q. Why would Henry Schein want additional information from a customer regarding weight loss?

A. I don't know specifically.

Q. And why would Henry Schein want additional information from a customer regarding testosterone?

A. I don't know.

Q. Okay. And there's a new form added on Exhibit 4 called Researcher Form. Do you see that?

A. I do.

Q. What is a researcher form?

A. That, I don't know.

Q. Let me ask about some of the other forms.

A. Sure.

Q. The practitioner form that's referenced on the first bullet point there, is that the questionnaire that we were talking about earlier?

A. I don't know for sure, but it does coincide with practitioner questionnaire on Revision 3. So I would assume it does.

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Q. Florida form, do you see that?

A. I do.

Q. Why is there a separate Florida form?

A. Separate provision from Florida, from the state of Florida, something specific to that state.

Q. What questions are on the Florida form that aren't on the practitioner form?

A. I don't know.

Q. Surgery center form, do you see that?

A. I do, yeah.

Q. What's the surgery center form?

A. A form, a questionnaire specifically directed at a surgery center setting.

Q. EMS form, what's that?

A. I would assume the same, directed at an EMS practice or -- yeah.

Q. Okay. If you switch to -- or turn to page 4.

MR. JONES: Are you still on Exhibit 4?

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MR. ACKERMAN: Yeah, on Exhibit 4.

BY MR. ACKERMAN:

Q. It's page 4 of Exhibit 4, and it's going to be page 3 of Exhibit 3. Lines up nicely that way.

And on Exhibit 3, the heading at the top says Controlled Substance Monitoring Procedure.

Do you see that?

A. Yes.

Q. And then on Exhibit 4, it says Know Your Customer Due Diligence Procedure.

Do you see that?

A. Yes.

Q. Do you know why that change was made?

A. I don't.

Q. And then in the language below, it says in Exhibit 3: Based on federal DEA requirements of the Controlled Substances Act, all distributors of controlled substances are required to Know Your Customer and establish a system/process to monitor orders of unusual size and frequency.

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Do you see that?
A. I do, yes.
Q. And look at Exhibit 4, which has almost the same language but adds at the end, and deviating substantially from a normal pattern.
Do you see that addition in Exhibit 4?
A. I do.
Q. Do you know why that was added in Exhibit 4?
A. I don't. I don't.
Q. Were you involved in the decision to -- were you involved in any of these revisions that ended up in Exhibit 4?
A. No, I don't --
MR. JONES: Objection, form, asked and answered.
A. No, I don't believe so.
BY MR. ACKERMAN:
Q. Under System Overview, again in Exhibit 3, it says: In 2008 Henry Schein Inc. engaged a DEA consulting firm to help design and implement an enhanced suspicious order monitoring system.

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Do you see that?
A. I do.
Q. And then in Exhibit 4, there's no longer any reference to a DEA consulting firm in that sentence?
A. Uh-huh.
Q. Do you know why the reference to DEA consulting firm was deleted?
A. No, I don't.
Q. Okay.
A. I don't.
Q. Turn to page 6 of Exhibit 4.
A. Okay.
Q. And at the bottom of page 6 are the bullet points that we already went through in painstaking detail, and I promise I'm not going to do it again.
A. Okay.
Q. But my question for you this time is: Is there any -- between 2012 when Exhibit 3 was issued and 2016 when Exhibit 4 was issued, is there any change in the method or the procedures that the reviewers used to evaluate the categories of information that are listed here in Exhibit 4?

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A. I don't know. I -- yeah, I would have to defer that to Shaun or somebody.
Q. Okay.
A. Yeah, I don't know.
MR. JONES: Are you just asking him as far as what's in print?
MR. ACKERMAN: No, no. I'm asking in terms of what the representatives were doing.
MR. JONES: Okay.
MR. ACKERMAN: Yeah.
MR. JONES: Object to form.
MR. ACKERMAN: What's the basis for that objection?
MR. JONES: Lack of foundation, calls for speculation, vague and ambiguous, overly broad.
You're asking him what the difference was that people were doing under Exhibit 4 versus Exhibit 3?
MR. ACKERMAN: Correct, people in the department that he oversaw.
MR. JONES: No, I understand that. It's still overly broad as to

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what they were doing. It's vague and ambiguous.
MR. ACKERMAN: I think that's misstating the question.
MR. JONES: Well, I asked you if that was your question, David, and you said yes. I'm not trying to mischaracterize your question.
MR. ACKERMAN: I understand that, but the question was not what they were doing. The question is what they were doing to review the information that's listed in the procedure. So --
MR. JONES: Okay. All right.
MR. ACKERMAN: It's not an argument worth having.
MR. JONES: No, I don't want to argue. I'm just trying to make sure the record is clear. I mean, if you want to reask your question, that's fine.
MR. ACKERMAN: Don't need to.
Let's mark the next document as Exhibit 5.

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(HenrySchein-Brandt Deposition Exhibit 5 marked.)
BY MR. ACKERMAN:
Q. Mr. Brandt, the court reporter has handed you what's been marked as Exhibit 5, which I'll represent is a printout from the website LinkedIn --
A. Yes.
Q. -- of your profile.
A. Yes.
Q. Take a moment to review this document and let me know when you've had a chance to review it.
A. Okay.
(Document review.)
A. Okay.
BY MR. ACKERMAN:
Q. Do you recognize this document?
A. Yes.
Q. Is this document something that you drafted?
A. Yes.
Q. Let me direct your attention to the top of the second page.
A. Okay.

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Q. And just -- actually, before you do that, stay on the first page.
Here it lists the job titles you've held, correct?
A. Yes.
Q. And then it lists underneath the job titles your responsibilities at each of those job titles, right?
A. Yes.
Q. And so if you look on page 1, it says Director of Customer Service, right, and that's that position that you held for a long time?
A. Uh-huh.
Q. And then the description of the responsibilities carries over to page 2.
A. Uh-huh.
Q. In the second-to-last sentence there says: Helped develop our suspicious order monitoring system and standard operating procedures.
Do you see that?
A. I do.
Q. Is that an accurate description of your job responsibilities as director of

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customer service?
A. Well, I over -- the people that worked for me helped develop that, so I reviewed it, I'm sure, and yeah. So -- maybe develop isn't a great word, but it was under my -- it was people that were working for me that were part of that.
Q. So what did you do to help develop Henry Schein's suspicious order monitoring system and standard operating procedures?
A. Just overseeing the manager and the supervisors that were involved in partnering with regulatory to create -- you know, create those documents and create those procedures.
Q. Okay. There have been two procedures, Exhibits 3 and Exhibit 4.
A. Uh-huh.
Q. Were there any other suspicious order monitoring system and standard operating procedures that you helped develop during your tenure as director of customer service?
A. No. I don't believe so.

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Overseeing them and reviewing them when it's done would be more my -- that's kind of more my role.
Q. So your role is to make sure it was limited to oversight of the individuals and reviewing the completed work product; is that right?
A. Right. I'm not the subject expert, so I rely on the manager and the supervisor to partner with our regulatory team to come up with everything. I would read it to make sure I had a little bit of an understanding of it and to see if there was anything that I -- if I had a question about anything.
Q. Okay.
A. I trusted the team.
MR. ACKERMAN: All right. You can put that one aside.
THE WITNESS: Okay.
MR. ACKERMAN: Let's mark this next one as Exhibit 6.
(HenrySchein-Brandt Deposition Exhibit 6 marked.)
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BY MR. ACKERMAN:
Q. Mr. Brandt, the court reporter has handed you what's been marked as Exhibit 6.
A. Yes.
Q. It's a two-page document numbered HSI-MDL_21781 through 21782. Take a moment to review this document and let me know when you've had a chance to review it.
A. Sure. Okay.
(Document review.)
BY MR. ACKERMAN:
Q. Have you reviewed it?
A. Yes. Yes.
Q. Okay. Do you recognize this document?
A. It was to me, so I'm -- it was six years ago, so -- but yeah, I -- vaguely, I guess.
Q. I understand that your name's on it.
A. Yeah.
Q. I'm just saying sitting here today, do you recognize the document?
A. Yeah. Yeah.

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Q. All right.
A. Seems like a -- yeah.
Q. And this is a memorandum sent to you and others from Shaun Abreu and Christine Stratton, right?
A. That's correct.
Q. It concerns a suspicious order monitoring seminar; is that right?
A. Uh-huh.
Q. Did you have any discussions with Mr. Abreu or Ms. Stratton regarding the suspicious order monitoring seminar that's described in this memorandum?
A. Did I have discussions?
Q. Uh-huh.
A. I'm sure I did.
Q. Do you recall any of the discussions?
A. No.
Q. And at the time Mr. Abreu and Ms. Stratton reported -- reported to you, correct?
A. No. I think at the time they reported to -- Shaun reported to Lisa directly, Christine reported to Shaun, and

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then Lisa reported to me.
Q. I understand. Okay. Thank you.
A. Uh-huh.
Q. Turn to the second page of this document, if you would.
A. Okay.
Q. And there's a -- in the last heading it says Reporting Suspicious Orders.
Do you see that?
A. I do, yes.
Q. It says: There are currently two methods being practiced in industry today for reporting suspicious orders to the DEA. And it describes the first method, utilizing the term "orders of interest," and then it says: The second method is to report the order to the DEA as soon as it pends in your SOM system and an investigation is started, and then conduct your due diligence.
And then at the end of the paragraph, it says: The consultants advised that even though DEA has not sanctioned either method, any registrant that has incurred civil penalties or been prosecuted

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by DEA has been required to utilize this method of reporting. Based on this the guidance from the consultants was to report more orders out of an abundance of caution.
Do you see that --
A. Yeah.
Q. -- that phrase?
Were you involved in any discussions regarding utilizing one or other of these methods for reporting suspicious orders to the DEA?
A. Maybe with the regulatory, there were probably meetings or discussions about it at the time, I would imagine.
Q. Do you recall any of them?
A. No, not specifically.
Q. All right. Do you recall any discussion as to whether at the time Henry Schein was using the first method or the second method or another method to report orders to the DEA?
A. No.
Q. At the time of this memorandum, which is, what, October 2012?
A. Uh-huh.

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Q. Did you have any involvement in determining which orders would be reported to the DEA as suspicious?
A. No.
MR. ACKERMAN: Let's mark this next one as Exhibit 7.
(HenrySchein-Brandt Deposition Exhibit 7 marked.)
BY MR. ACKERMAN:
Q. Mr. Brandt.
A. Yes.
Q. The court reporter has handed you what's been marked as Deposition Exhibit 7, and it's a two-page document numbered HSI-MDL_486513 to 514. I just want to note for the record that the document was marked highly confidential.
A. Review it?
Q. Yeah, take a moment to review the document, and let me know when you've had a chance to review it.
A. Sure.
(Document review.)
A. Done. I'm done.
///

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BY MR. ACKERMAN:
Q. Have you had a chance to review the document?
A. Yes. Yes.
Q. Do you recognize it?
A. I do.
Q. And what is it?
A. It's a memo from Shaun.
Q. Well, it's an e-mail from Shaun, right?
A. An e-mail from Shaun, yeah.
Q. And Shaun is forwarding to you an e-mail that he sent to Jim Mullins on October 23rd, 2017, correct?
A. Yes.
Q. Shaun writes: Hi Bill. Here is one of the e-mails regarding Masters.
Do you see that?
A. I do.
Q. Okay.
A. Uh-huh.
Q. Do you have an understanding of what the reference to Masters is?
A. It was a decision. It was a court case.

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Q. A court decision, right?
A. A court decision, that's right.
Q. Regarding the reporting of suspicious orders of controlled substances, correct?
A. That's my understanding, yes.
Q. Why did Shaun Abreu forward this e-mail from October 2017 to you in June of 2018?
A. I don't know. Maybe I may have requested it, asked him to. I don't know.
Q. Did you have any discussions with Mr. Abreu about the Masters decision around that time, June of 2018?
A. I'm sure we did, yeah. I'm sure we had discussions.
Q. Why? Why are you sure that you had discussions?
A. It was a relevant -- it was a relevant change and, yeah, I remember discussions with Shaun and with Jim and regulatory to try to figure out how we were going to comply and do what we needed to do.
Q. Okay. The e-mail from Shaun to Jim Mullins is dated seven months earlier,

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right?
A. Uh-huh.
Q. Approximately?
A. Yeah.
Q. So my question is: Why were you discussing the Masters decision with Shaun Abreu in June of 2018, seven months after this e-mail that Shaun Abreu forwards in October of 2017?
A. Why was I?
Q. Yes.
A. I don't -- I don't know. I may have been putting together something. I don't recall why I asked him for that.
Q. Okay. If you look at bullet point number 3 that Shaun Abreu sends that bullet point says -- the second sentence: We have sought legal guidance from a number of high profile attorneys and have received the same opinion from everyone: We should start reporting orders when discovered as a result of the Masters decision.
Do you see that?
A. I do, yeah.
Q. Is it your understanding that

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prior to October 2017, Henry Schein was not reporting orders when discovered -- suspicious orders when discovered to the DEA?
MR. JONES: Object to the form.
A. Yeah, I don't know the exact date that we changed, but we did change. I just don't know the date that we formally did -- made that change.
BY MR. ACKERMAN:
Q. Would Shaun Abreu have been more knowledgeable about the date that Henry Schein made that change?
A. Yes, I'm sure he would be.
Q. So if in October 2017, Shaun Abreu writes we should start reporting orders when discovered as a result, does that indicate to you that at that time, Henry Schein was not reporting suspicious orders when discovered to the DEA?
A. I guess --
MR. JONES: Object to form.
A. I don't know. I don't know if we were or not at that time.
BY MR. ACKERMAN:
Q. Okay.

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A. Yeah.
Q. Sitting here today do you know when Henry Schein reports suspicious orders to the DEA?
A. When we do?
Q. Yes.
A. Yes.
Q. When?
A. When it pends, when the order pends prior to us doing our due diligence.
Q. And how is it that you were aware of the procedure now? How did you become aware of that procedure?
A. Because it required additional resource and just working with Shaun and regulatory to make sure that we were in compliance with the Masters ruling.
Q. How did it require additional resource?
A. Just more people for the letters. We have to generate letters and mail them to the local offices, I believe, now.
Q. So were you involved in -- I assume it's hiring more people or bringing

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more people on to the verifications department for that process?
A. I was -- yeah, I probably worked with Shaun to figure out how we were going to do that.
Q. And in what time frame did that effort occur?
A. It looks probably 2017 sometime. Again, I don't know the exact date.
Q. Was it before or after this October 2017 e-mail that Mr. Abreu forwarded to you in Exhibit 7?
A. Yeah, I don't recall. I don't recall if it was prior or after.
Q. How many more people did the verification department add in order to effect this change in the manner in which Henry Schein was reporting suspicious orders to the DEA?
A. I don't remember exactly what we did. I don't remember if we brought somebody new or if we changed a role of an existing person that -- it may have been something to do with that, yeah. And I know

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we did some automation to try to speed up the process a little bit too.
Q. Who else was involved in the changes that you're describing to the verifications department?
A. It would have been Shaun Abreu. I'm sure Maggie Koromi and Christine Stratton, the supervisors may have been -- may have given ideas or suggestions. And I'm sure regulatory, the regulatory team, I'm sure.
Q. Is there a database of suspicious orders at Henry Schein?
MR. JONES: Object to the form.
A. A database?
BY MR. ACKERMAN:
Q. Does Henry Schein maintain a list or a collection of the suspicious orders that it had reported to the DEA?
MR. JONES: Object to the form.
BY MR. ACKERMAN:
Q. Does Henry Schein track the suspicious orders that it has reported to the DEA?
A. Yes, we keep records, yes.

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Q. And in what form are those records maintained?
A. I don't know.
Q. Have you personally ever looked up whether a customer was the subject of a suspicious order reported to the DEA?
A. Have I ever looked it up in our system?
Q. Correct.
A. I don't think so, no.
Q. Would you know how to do it, if you wanted to?
MR. JONES: Object to the form.
A. I have visibility -- I have visibility to the pends screens, so I could go in and check an order. I'm not an expert on whether or not it's suspicious or not.
BY MR. ACKERMAN:
Q. So you can check and see whether an order pended, right?
A. (Nods head.)
Q. Would that screen indicate whether an order was reported to the DEA?
A. No. Not that I -- not that I'm aware.

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Q. I understand.
A. Yeah.
Q. If an order pended and then was later cleared as not being suspicious by a member of the verifications department, say, would the pend screen still indicate that the order had pended in the first place?
A. Yes.
Q. During your time at Henry Schein, have you ever been involved in customer due diligence?
A. Have I ever personally been involved in that?
Q. Yes.
A. I don't think directly. The team -- the team does that.
Q. You've overseen the team that performs that aspect, right?
A. Right.
Q. But you personally have never conducted customer due diligence?
A. No, I don't think so, yeah.
Q. As part of overseeing the team that conducted the due diligence, were you ever involved in that due diligence process?

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A. In what way?
Q. Somebody come to you with a question?
MR. JONES: Object to the form.
A. Yeah, I'm not an expert on it, so I -- if I did get that type of question, I would probably pretty quickly defer to Shaun or one of the supervisors.
BY MR. ACKERMAN:
Q. I'm not asking if you're an expert. I'm just trying to find out the nature and extent of your involvement, if any, in the process.
A. Yeah. Yeah. It's low.
Q. Okay.
A. Yeah.
MR. ACKERMAN: I suspect these next two exhibits might go pretty quickly.
THE WITNESS: Okay.
MR. ACKERMAN: Let's mark this one as Exhibit 8.
(HenrySchein-Brandt Deposition Exhibit 8 marked.)
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BY MR. ACKERMAN:
Q. Mr. Brandt, the court reporter has handed you what's been marked as Deposition Exhibit 8. It is a multipage document numbered HSI-MDL_387177 through 387180.
Take a moment to review this document, and let me know when you've had a chance to review it.
A. Okay.
(Document review.)
A. Yep.
BY MR. ACKERMAN:
Q. You've reviewed the document?
A. Yep.
Q. Have you seen it before?
A. I don't recall seeing it, but I may have back in 2006, yeah.
Q. This is a letter from the DEA, correct?
A. Uh-huh.
Q. It looks like the recipient address might have been blacked out here, but it's to -- it says -- I believe the letter was received by Henry Schein; is that right?

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A. I don't know. I don't see that on here, but more than likely our regulatory department, is what I would think.
Q. Okay. Do you recall any discussions -- or being involved in any discussions in 2006 regarding Henry Schein's due diligence procedures in reference to this letter?
A. I don't -- I don't specifically recall, but it's very -- it's possible that I would have had discussions with regulatory or with Shaun or somebody.
Q. Okay. Look at the last page of the letter.
A. Uh-huh.
Q. Signed by a man named Joseph T. Rannazzisi.
A. Uh-huh.
Q. Is that name familiar to you?
A. No.
Q. Are you aware of any other letters that Mr. Rannazzisi sent to Henry Schein concerning due diligence procedures or suspicious order monitoring?
A. Nothing comes to mind, no.

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Q. Were you involved -- do you recall any discussions related to a 2007 letter from Mr. Rannazzisi concerning suspicious order monitoring or controlled substances?
A. It doesn't ring a bell --
Q. Okay.
A. -- to me, no.
MR. JONES: Are you going to show him the letter?
THE WITNESS: Was it to me?
MR. ACKERMAN: We'll mark it.
(HenrySchein-Brandt Deposition Exhibit 9 marked.)
BY MR. ACKERMAN:
Q. Mr. Brandt, the court reporter has handed you what's been marked as Exhibit 9. It's a two-page document Bates numbered HSI-MDL_404079 through 404080.
A. Yep.
Q. Take a moment to review this document, and let me know when you've had a chance to review it.
A. Okay.
(Document review.)

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A. Okay.
BY MR. ACKERMAN:
Q. Have you seen this document before?
A. Probably. I don't know for sure.
Q. Does this document refresh your recollection as to whether you were involved in any conversations regarding Henry Schein's due diligence or suspicious order monitoring processes with reference to this letter?
A. Looks like it went to our Florida distribution center, so I -- I don't recall anything specific. I may very well have been involved in a meeting or something related to it, but I don't recall it directly right now.
Q. Take a look if you would at the -- the last paragraph on the first page.
A. Uh-huh.
Q. You see that?
A. Yep.
Q. And it says: This regulation specifically states that suspicious orders include orders of an unusual size, orders

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deviating substantially from a normal pattern and orders of an unusual frequency.
A. Uh-huh.
Q. Do you see that?
A. I do.
Q. So that sentence states that there are three types of orders that could be classified as suspicious orders, correct?
A. I believe so. That's what it says.
Q. And the letter is dated September 27, 2007, right?
A. Yes.
Q. Pull out Exhibit 3, if you would, for a moment.
A. 3?
Q. Yeah. And turn to page 3, please.
At the top of page 3 of Exhibit 3, it says -- just to be clear, Exhibit 3 is the 2012 SOP concerning suspicious order monitoring, correct?
A. Yes, that's what it looks like, uh-huh.
Q. So on page 3 at the top it

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says: Based on the federal DEA requirements of the Controlled Substances Act, all distributors of controlled substances are required to Know Your Customer and establish a system/process to monitor orders of unusual size and frequency.

Do you see that?

A. I do.

Q. So the SOP only references unusual size and frequency; is that correct?

A. That's what the -- that's what this says.

Q. And the 2007 letter from the DEA references unusual size, orders deviating substantially from a normal pattern and orders of an unusual frequency.

Do you see that?

A. I do.

Q. Thank you.

MR. ACKERMAN: You can put that aside.

THE WITNESS: Okay.

BY MR. ACKERMAN:

Q. So we talked earlier about Buzzeo, right?

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A. Uh-huh.

Q. And remind me again what your understanding as to Buzzeo's role.

A. My understanding --

Q. With Henry Schein.

Yeah.

A. I don't know much about him. I know that he was an ex-DEA guy. What capacity, I'm not sure. And I know that we -- he led some conferences on this topic that Shaun attended and our regulatory team attended, and we contracted with him I believe to create our suspicious order monitoring system or part of it. That's my understanding.

Q. Is Buzzeo a person or a company?

A. I think both. I don't know for sure, but I think he does have his own company that carries his name.

MR. ACKERMAN: Okay. Let me mark this as Exhibit 10.

(HenrySchein-Brandt Deposition Exhibit 10 marked.)

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BY MR. ACKERMAN:

Q. Mr. Brandt, the court reporter has handed you what's been marked as Exhibit 10. It's a document numbered HSI-MDL_404203 through HSI-MDL_404209.

Take a moment to review this document, let me know when you've had a chance to review it.

A. Okay.

(Document review.)

A. Okay.

BY MR. ACKERMAN:

Q. Have you seen this document before?

A. I mean, it doesn't -- it doesn't jump out at me, but I may have read it back in 2005.

Q. There's a reference at the top to Kathleen Malone on the first page. Kathleen Malone, Project Manager, Buzzeo PDMA.

Do you see that?

A. Yes.

Q. Do you know who Kathleen Malone is?

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A. I don't believe so.

Q. Have you ever spoken with Kathleen Malone?

A. Not that I remember, if I did.

Q. The answer to the first question probably answered the second.

The second paragraph states: In year 2002 Jay Schein RPh conducted a study averaging all orders for each product placed over one year's time to determine the significant threshold for each product cumulative for six months.

Do you see that?

A. Uh-huh, yes.

Q. Do you know who Jay Schein RPh is?

A. I don't.

Q. Do you know anything about the study that's referenced in this letter?

A. No, I don't think I -- I don't think I have any specifics about it.

Q. Did you ever hear about the study before sitting here today?

A. No.

Q. Now, just to -- in 2005 had you

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assumed responsibilities for the verification team?
A. It's right around that time. I couldn't honestly tell you. It was right in that time frame --
Q. Okay.
A. -- when I -- I became director, I believe -- what was it, 2003-ish? So Jim -- it was -- Jim -- kind of reported to Jim for a while, and then I took that over. It was right in those years, 2005, '6, or '7, somewhere in that time frame I think I did.
Q. Because there's some comments in this document regarding actions of the verifications team, and I wanted to go through them with you and see whether they're consistent, to the extent you remember, with your recollection of how that team operated.
A. Yeah, I don't know that I was the guy at the time.
MR. JONES: There's no question pending.
THE WITNESS: Okay.
BY MR. ACKERMAN:
Q. But there's some other

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questions that I'm going to move through. So let's go to the second page here.
A. Okay.
Q. Let's look at finding number 2. And that finding says: There is no formal process in place to review threshold data on a periodic basis, nor is there currently a staff pharmacist available to review the system thresholds as stated in the standard operating procedure.
Do you see that?
A. I do.
Q. Do you know whether that statement was true as of 2005?
A. No.
Q. No, you don't know, or no, you don't -- or, no, it was not true?
A. No, I don't know.
Q. Okay.
A. I don't know.
Q. Sure. Yep.
And then if you go to finding number 3, the third sentence there says: Currently there is no formal process in place to assess the appropriateness of the customer

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medical practice in relation to the drug product being ordered.
Do you see that?
A. I do.
Q. When you assumed responsibility for the verification department, verification team, was there a formal process in place to assess the appropriateness of the customer's medical practice in relation to the drug product being ordered?
MR. JONES: Object to the form.
A. Yeah, I don't know.
BY MR. ACKERMAN:
Q. By the way, there's handwriting on the side of this.
A. Uh-huh.
Q. Is that your handwriting?
A. No.
Q. Do you recognize the handwriting?
A. No.
Q. Go to finding number 5, if you would, on page -- it's the page that ends in Bates number 206.
A. Okay.

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Q. And then it says: When an order pends as suspicious, the order and the customer patterns are reviewed. If it still remains suspicious, a letter is sent to the customer requiring an explanation of the order.
Do you see that?
A. I do.
Q. The next sentence says: A pending order will not be released without a return letter from the customer.
Is that an accurate description of the process, of the review process for the verification department --
MR. JONES: Object to the form.
BY MR. ACKERMAN:
Q. -- during your tenure?
MR. JONES: Object to the form.
A. Back at this time?
BY MR. ACKERMAN:
Q. So let's start with back at this time, sure.
MR. JONES: Same objection.
A. No. No, I don't know. I don't know.

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BY MR. ACKERMAN:
Q. You don't know whether it's accurate?
A. I don't know, no.
Q. Okay. In 2012, is this an accurate description of the -- let me ask the question this way.
In 2012, if following a review the record still remains suspicious, did the verification team send a letter to the customer requiring an explanation of the order?
MR. JONES: Object to the form, misleading.
A. I don't know. I don't know that.
BY MR. ACKERMAN:
Q. Take a look at Exhibit 3.
A. Okay.
Q. And go to page 6 of Exhibit 3.
A. Okay.
Q. You see the heading that says Justification Letter?
A. Uh-huh, yes.
Q. The first sentence says: If

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after completing our due diligence the reviewer's assessment of the account is inconclusive based on the information provided, Verifications will request a justification letter from the customer.
Is that correct?
A. Yes.
Q. So in 2012, it's accurate to say that the -- Henry Schein's operating procedure required that the verifications team request a justification letter from the customer if the reviewer's assessment of the account was inconclusive; is that right?
A. It looks like that, yes. That's what this says.
Q. And this -- now, going back to Exhibit 10, under finding number 5.
A. Uh-huh.
Q. It says: When an order pends as suspicious, the order and the customer patterns are reviewed. If it still remains suspicious, a letter is sent to the customer requiring an explanation of the order.
Is that correct?
A. That's what it says, yes.

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Q. Are you aware of any change in procedure between 2005 and 2012 concerning requiring that a customer explain or justify an order?
MR. JONES: Object to the form.
A. I don't know. Our -- the procedures evolve, so...
BY MR. ACKERMAN:
Q. Okay.
A. Yeah.
Q. Going back to Exhibit 10, the last couple of sentences of that finding 5 again, which is on the page numbered 206.
A. Yeah.
Q. It says: When the letter is received and reviewed, if the explanation is found reasonable, the order is released and the letter retained on file. A notation is made in the system that this letter has been received. This letter then is used to clear additional excessive orders for the same customer.
Do you see that?
A. Uh-huh.
Q. That phrase?

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A. Yes.
Q. Is it -- in 2012, was it Henry Schein's practice to use a prior justification letter to clear additional excessive orders for the same customer?
MR. JONES: Object to the form.
A. I don't know.
BY MR. ACKERMAN:
Q. Okay. Is that Henry Schein's practice today?
MR. JONES: Same objection.
A. I don't know.
MR. ACKERMAN: You can put that one aside.
THE WITNESS: Okay.
MR. ACKERMAN: Let's mark this as Exhibit 11.
(HenrySchein-Brandt Deposition Exhibit 11 marked.)
BY MR. ACKERMAN:
Q. Mr. Brandt, the court reporter has handed you what's been marked as Exhibit 11, which is a multipage document labeled HSI-MDL_0038675 through 00386879.
A. Yeah.

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Q. And I apologize, it's 386875 through 386879.
Take a moment to review this document, and let me know when you've had a chance to review it.
A. Okay.
(Document review.)
A. Okay.
BY MR. ACKERMAN:
Q. Do you recognize this document?
A. No. No, I'm sure I probably read it. I'm on it, copied on it, so I'm sure I did review it ten years ago.
Q. This document describes a meeting that occurred on January 17th and 18th, 2008; is that correct?
A. That's correct.
Q. Did you attend that meeting?
A. I probably did. I was just looking. I don't see Shaun's name here or Lisa, which is strange to me, but I may have.
Q. There's a list of attendees at the back, right?
A. Yeah.
Q. And you're listed as one of the

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attendees; is that right?
A. Yes, uh-huh.
Q. Do you recall anything about this meeting?
A. No, just general, just in general refreshes my memory a little bit in reading it.
Q. And what does it refresh your memory of?
A. Just talking about our system and things that we need to do to improve it.
Q. If you look at the first page it says: The DEA's communication of December 27th was used as a controlling document for the morning discussion.
Right? That's almost pretty close to the bottom of the page.
Do you see that?
A. Uh-huh, I do, yeah.
Q. Exhibit 9 that we've already looked at today, can you pull that out?
A. Yeah.
Q. What's the date of that document?
A. December 27th, 2007.

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Q. Do you recall whether the discussion in this January 17th and 18th, 2008 meeting referenced the DEA letter that we marked as Exhibit 9?
A. I don't recall.
Q. If you go to the second page, about halfway down the page says: A smaller workgroup consisting of Schein regulatory staff and members of the verifications department then discussed Schein's ongoing procedures.
Do you see that?
A. Uh-huh, I do.
Q. You oversaw the verifications department at this time, right?
A. I don't know.
Q. In 2008?
A. Right around that time.
Q. Okay.
A. Yeah, I may have. I may not have.
Q. Were you in part of this smaller workgroup?
A. I don't recall if I was. I may have been. I honestly don't recall.

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Q. Can you look at the -- there are two arrows there underneath that paragraph on page -- it's the page that ends in 76. It's the second page of the document.
A. Okay.
Q. Right? I'm sorry, there's a paragraph that begins questionable orders are filled.
Do you see that?
A. Yes.
Q. And then there are two arrows underneath it?
A. Yes.
Q. In the first arrow it says: An immediate adjustment will be made in Schein's procedures to stop or pend the orders and to then investigate to clear prior to shipment.
Do you see that?
A. Uh-huh, I do.
Q. Do you recall any discussion regarding adjusting Schein's procedures in that manner?
A. No, not specifically.
Q. Okay.
A. No.

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Q. Prior to this meeting, was Schein shipping orders prior to investigating orders that had pended?
A. I don't believe so.
Q. Okay.
A. No.
Q. Do you know what the adjustment -- what would have been adjusted in Schein's procedures, what the prior -- let me strike that. Let me ask a different question.
What was the prior practice of the verifications department that needed to be adjusted as described in this document?
MR. JONES: Objection, form.
A. I don't know.
BY MR. ACKERMAN:
Q. Okay.
A. I don't know.
Q. The second arrow says: When placing telephone calls to the physician's order -- I'm sorry.
A. Office.
Q. Yeah. When placing telephone calls to the physician's office regarding

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controlled substance ordering procedures, Schein's verifications department staff should communicate with the physician registrant.
Do you see that?
A. I do.
Q. Do you recall any discussion at the meeting regarding this point?
A. Not specifically.
Q. Prior to this meeting, did the verification department speak with someone other than the physician or their registrant when placing telephone calls to the physician's office regarding controlled substance ordering procedures?
A. I don't know. I don't know.
Q. Independent of what's in this Exhibit 11, do you remember any discussion that occurred at this meeting?
A. No.
Q. Okay. Do you -- I didn't mean to cut you off if you were going to say something.
A. No, I wasn't going to say something.

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Q. Okay. Were you involved in changes to the procedures of the verification department that -- well, strike that. Let me ask the question differently.
Were you involved in any discussions following this meeting concerning changes to the verification department's procedures as a result of the discussions in this meeting?
A. Probably. I probably was. I was an attendee. I was part of the group, so I --
Q. Do you recall any of those discussions?
A. Not specifically, no.
Q. All right. Do you recall whether anyone disagreed with the recommendations of Cegedim Dendrite as reflected in the document?
A. I don't.
Q. Did you have any opinion regarding the recommendations of Cegedim Dendrite?
A. Did I at the time?
Q. Yes.

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A. I don't recall if I did. I may have.
Q. Okay.
MR. JONES: Since you're getting between exhibits, can we break?
MR. ACKERMAN: Yeah, it's a good time. Let's take a break.
THE VIDEOGRAPHER: The time is now 2:00 p.m. Going off the record.
(Recess taken, 2:00?p.m. to 2:16?p.m.)
THE VIDEOGRAPHER: The time is now 2:16. Back on the record.
MR. ACKERMAN: Let's mark this one as Exhibit 12.
(HenrySchein-Brandt Deposition Exhibit 12 marked.)
BY MR. ACKERMAN:
Q. Mr. Brandt, the court reporter has handed you what's been marked as Exhibit 12.
A. Uh-huh.
Q. It is a two-page document numbered HSI-MDL_231217 through 218.

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Take a moment to review this document and let me know when you've had a chance to review it.
A. Okay.
(Document review.)
A. Okay.
BY MR. ACKERMAN:
Q. All right. Have you seen this document before?
A. I don't think so.
Q. Okay. On the first page -- this, again, is another Cegedim Dendrite document, right?
A. Right.
Q. And on the first page, the first paragraph says: As a part of Henry Schein's revised suspicious order monitoring system, all new accounts which handle controlled substances will be the subject of a due diligence inquiry.
Do you see that?
A. I do.
Q. Were you involved in any discussions regarding due diligence inquiries for all new accounts that handle controlled

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substances?
A. I don't believe so.
Q. Who at Henry Schein in 2008 was responsible? By who, I mean which department, so let me ask the question again.
Which department in 2008 at Henry Schein was responsible for conducting due diligence inquiries on new accounts that handle controlled substances?
A. The license verifications team.
Q. The team that you oversaw at some point, right?
A. Yes.
Q. Okay. The next sentence says: During the due diligence inquiry, the new account holder will be interviewed by Schein staff over the telephone to determine whether the new account appears qualified to handle controlled substances.
Do you see that sentence?
A. I do.
Q. Did representatives in the verification department conduct interviews over the telephone with new accounts to determine whether the account appeared

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qualified to handle controlled substances?
A. I don't know.
Q. A little bit down the page past the bullet points, it says: After the interview, the customer should be provided with a document with information pertaining to controlled substances which addresses basic legal issues such as legitimate medical use.
Do you see that sentence?
A. I do.
Q. Were customer -- did Henry Schein provide customers with a document with information pertaining to controlled substances that addressed basic legal issues such as legitimate medical use?
MR. JONES: Object to the form.
A. I don't know.
BY MR. ACKERMAN:
Q. At any point during the period at which you oversaw the verifications department, did representatives conduct background investigations on new customers to determine whether those customers were the subject of any convictions or regulatory

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actions?
A. Yes.
Q. Was that the practice throughout the entire period?
A. That, I don't know.
Q. Okay. And how do you know that those investigations were conducted?
A. Speaking with Shaun and the regulatory team.
Q. At any point during your tenure where you oversaw the verifications department, the licensing department -- just to be clear, when I say verifications department, I understand that to also refer to the licensing department. Do you understand that the same way?
A. I do. I do.
Q. Okay. I just want to make sure that I didn't need to revisit a couple of hours of questions.
MR. JONES: I'm sure we can reach a stipulation.
MR. ACKERMAN: Yeah.
BY MR. ACKERMAN:
Q. So at any point during your

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tenure of overseeing the verification department, did representatives conduct onsite visits as part of their due diligence efforts with respect to Henry Schein customers?

A. None of -- none of our representatives. I don't believe any of our representatives ever did.

MR. ACKERMAN: Okay. This might be the last one on this topic. Let's mark this as Exhibit 13.

(HenrySchein-Brandt Deposition Exhibit 13 marked.)

BY MR. ACKERMAN:

Q. Mr. Brandt, the court reporter has handed you what's been marked as Exhibit 13, which is a multipage document numbered HSI-MDL_404369 through 404373.

A. Yes.

Q. Take a moment to review this document. Let me know if you've seen it before.

(Document review.)

A. Okay.

///

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BY MR. ACKERMAN:

Q. Have you seen this document before?

A. I don't recall seeing it, looks like, in 2007.

Q. Well, the --

A. Is that right? I don't know the date.

Q. It doesn't have a date on it. If you look at page 2, there's a reference to a meeting on December 16th, 2009 at the bottom.

Do you see that?

A. I do, yeah.

Q. So it appears the document was --

A. Yeah.

Q. -- likely prepared after that, at least after that date.

A. Uh-huh.

Q. And by December 16th, 2009, did you have responsibility for the verifications department?

A. Yes.

Q. And this is another Cegedim

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Dendrite document that's entitled Schein SLM Procedural Review, correct?

A. Yes.

Q. And there are a couple of findings in here that I'd like to ask you about.

A. Sure.

Q. Turn to page 3 at the top of the page. It says: Also it was learned that customer accounts are established electronically over the phone. During this initial setup process, HSI staff indicated that there is no procedure to develop any information regarding controlled substances. All new accounts are forwarded to the customer service department where HSI "gatekeepers" check the customers' addresses against a public data base to assure that the databases are accurate. The account holder is also checked against a Lexus Nexus database for any outstanding warrant and to determine whether the customer is on a Terrorist Watch List.

Do you see that?

A. I do.

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Q. Is that an accurate description of the process for onboarding or for establishing customer accounts in 2009?

MR. JONES: Object to the form.

A. I don't know.

BY MR. ACKERMAN:

Q. Okay. The term -- you see here the -- in the third sentence it says: New accounts are forwarded to the customer service department or HSI gatekeepers, and the word "gatekeepers" is in quotations, right?

A. Uh-huh.

Q. First of all, the customer service department was you. You were the director of the customer service department at this time; is that correct?

A. That's right, yes.

Q. You heard the use of the word "gatekeepers" --

A. Yes.

Q. -- to describe individuals in the customer service department?

And in what manner is that term used at Henry Schein?

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A. The gatekeepers are a small group within the customer service team, and they are responsible for the database management, changes to account numbers, changes to addresses, changes to phone numbers, and initial vetting of new accounts that get set up in the system, like it says here.
Q. Okay. In terms of initial vetting of new accounts, what is it that the gatekeeper -- first of all, are there still gatekeepers today at Henry Schein?
A. Yes.
Q. Are those gatekeepers -- do those gatekeepers still have responsibility for initial vetting of new accounts today?
A. Yeah, reviewing new accounts, yeah.
Q. In 2009 what were the gatekeepers' responsibility with respect to the initial vetting of new accounts?
A. I don't know everything. Just what it says here, the LexisNexis database, I believe, to make sure they're not on the terror watch list. Really making sure that

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it's a valid address is the primary function of the gatekeeping team, making sure that the delivery address is in the UPS or the USPS database so that it will ship to a valid address.
Q. And then today have those responsibilities changed at all with respect to vetting of new accounts?
A. Not that I'm aware.
Q. About midway down the page, there's a paragraph that begins HSI uses.
Do you see that?
A. Yes.
Q. And the third sentence there says: Most of the orders that are pended are for pseudoephedrine.
Do you see that?
A. I do.
Q. Was your verification department responsible for investigating orders of pseudoephedrine?
A. Yes, when it was classified as a controlled substance.
Q. Okay. And when was that?
A. I don't recall the impact date.

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Q. The next paragraph begins: In certain relatively rare instances, the order will be forwarded to the regulatory department for further follow-up and review.
Do you see that sentence?
A. Yes.
Q. Is that an accurate description of the process in 2009?
A. I don't know. I don't know.
Q. If you'd turn to the next page, the header that says Conclusions and Recommendations.
Do you see that?
A. Yes.
Q. The first bullet point says: Some of the original recommendations are still open including the development and procedures that govern and control access codes in the validation of the computer system.
Do you see that?
A. Yes.
Q. Do you recall participating in any of the discussions regarding that some of Cegedim Dendrite's original recommendations

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were still open at the end of 2009?
A. No.
Q. All right. And then skip about halfway down the page. It says: New accounts are opened without sufficient due diligence investigations inquiries. For the most part, new accounts are opened based upon a verification of the customer's DEA number, which is not considered adequate by the DEA.
Do you see that, that sentence?
A. I do.
Q. Were you involved in any discussions regarding whether new accounts were opened with sufficient due diligence investigations inquiries around the end of 2009?
A. Not that I recall.
Q. Okay.
A. No.
Q. Were you ever informed that new accounts were opened based upon a verification of the customer's DEA number and not based on other due diligence?
A. No, not that I recall.
Q. And to be clear, it's the

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verification department that would have been responsible for conducting due diligence for new accounts, right?
A. Gatekeepers? The gatekeepers are responsible for the initial due diligence on a new -- newly opened account.
Q. Okay.
A. If it doesn't involve licensing.
Q. Got it. And if it involves a controlled substance, if the new contract involves a controlled substance, would it still be the gatekeeper who's responsible for the due diligence?
A. License verifications.
Q. So that then is the verifications department?
A. Yes.
Q. All right. Now look at the bottom of the page. In the last sentence on the page says: However, the responsibilities of the customer service department, the verifications department, and the regulatory department appear to be poorly defined and reliant to some extent upon the judgment of

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individual employees regarding what types of situations should be referred to management for approval or forwarded to regulatory for investigation.
A. Uh-huh.
Q. Do you see that sentence?
A. I do.
Q. Anyone ever discuss with you that the responsibilities of the customer service department, the verifications department and the regulatory department were poorly defined?
A. Not that I recall.
Q. Were you ever involved in discussions or efforts to more clearly define the responsibilities of those departments?
A. Nothing specific that I recall.
Q. Anything general?
A. No, not that I recall.
Q. All right. You were a director of the customer service department, right?
A. Yes.
Q. And you had responsibility for overseeing the verifications department?
A. Yes.

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Q. Correct?
A. (Nods head.)
Q. So two of these three departments referenced in this sentence were within your oversight responsibilities; is that right?
A. Yes.
Q. And before today, had you ever seen this sentence that said that the responsibilities of the customer service department, the verifications department and the regulatory department appear to be poorly defined and reliant to some extent upon the judgment of individual employees regarding what types of situations should be referred to management for approval or forwarded to regulatory for investigation?
A. No, I don't know that --
MR. JONES: Object to the form.
A. I don't recall seeing it.
MR. ACKERMAN: Okay. You can put that one aside.
Let's mark this Exhibit 14.
(HenrySchein-Brandt Deposition Exhibit 14 marked.)

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BY MR. ACKERMAN:
Q. Mr. Brandt.
A. Yes.
Q. The court reporter has handed you what's been marked as Exhibit 14. It's a document that was produced to us in native format at the Bates number HSI-MDL_72607. The exhibit consists of the slip sheet and then the native file behind it.
Take a moment to review this document, and let me know when you've had a chance to review it.
A. Okay.
(Document review.)
A. Okay.
BY MR. ACKERMAN:
Q. Have you ever seen this document before?
A. Not that I recall.
Q. Okay. The first page of the presentation, right, says: Individual opportunity issue presented by Tina Steffanie-Oak.
I think you earlier testified as to who Tina Steffanie-Oak is or was.

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A. Uh-huh.
Q. Do you recall attending any presentations by her concerning Know Your Customer due diligence?
A. Not specifically, no.
Q. All right. The next page says -- is titled Opportunity Issue.
Do you see that?
A. Yes.
Q. And the first bullet point says: Are we in substantial compliance with DEA SOM/KYC regulations, right?
A. Right.
Q. And do you have an understanding as to what the acronym SOM/KYC refers to in this document?
A. Yes.
Q. What is that?
A. Suspicious order monitoring, Know Your Customer.
Q. And the next bullet point says: We do not have KYC due diligence for approximately 60% of our customers. Remaining 40% has varying degrees of due diligence (files are not consistent).

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Do you see that?
A. I do.
Q. Were you ever informed that Henry Schein did not have Know Your Customer due diligence for approximately 60% of its customers?
A. Not that I recall, no.
Q. What department at Henry Schein was responsible for conducting Know Your Customer due diligence?
A. The license verifications team.
Q. And what department at Henry Schein was responsible for maintaining the Know Your Customer due diligence files at Henry Schein?
A. The license verifications team.
Q. And you oversaw the license verification team?
A. Yes.
Q. Does it strike you as odd that no one ever mentioned to you that Henry Schein did not have Know Your Customer due diligence files for approximately 60% of its customers?
A. No, I don't know the context of

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this presentation, who it was given to, so no. But I don't recall being told that.
Q. Okay. Were you ever involved in an effort to generate or conduct due diligence for a large number of existing Henry Schein customers?
A. Yes.
Q. And when was that?
A. I don't recall the exact dates.
Q. Was it more than ten years ago?
A. Probably not.
Q. All right. So it was within the last ten years?
A. Yes.
Q. Was it after 2012, within the last five years?
A. Possibly, yes.
Q. And that was two different time periods because my math was bad again, so let me try that again.
Was it within the past five years?
A. Yeah, I don't recall the exact dates.
Q. Okay. And what is it that you

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recall about that effort?
A. I recall Shaun and the -- and our team working with the regulatory team, the team that Tina was on, to identify accounts that they believed required additional due diligence and a plan to address that.
Q. Were you part of that effort?
A. I don't believe so.
Q. You were just aware that it was occurring?
A. That's my -- that's my recollection of it, yes.
Q. Okay. The third page of this presentation is titled Potential Risks to Henry Schein.
Do you see that? Sorry, it's probably the fourth page. It's the third substantive page.
A. Potential Risks.
Q. It's the next page.
A. Yep. Okay.
Q. And there's a bullet point there that says: How vulnerable are we to potential DEA regulatory action by not having

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complete due diligence on all customers purchasing controlled substances?
Do you see that, that sentence?
A. I do.
Q. Were you involved in any discussions with anyone at Henry Schein at any time concerning the company's potential vulnerability to DEA regulatory action by virtue of it not having complete due diligence on all customers purchasing controlled substances?
A. Not that I recall.
Q. Okay. Putting aside whether you participated in those conversations, are you aware of any conversations that occurred regarding that topic?
A. At what level? I'm not sure I understand the question.
Q. At any level. Did you ever hear --
MR. JONES: Object to the form.
A. No, I don't recall that --
BY MR. ACKERMAN:
Q. Did you hear that people at Henry Schein were concerned that they were --

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they were vulnerable to DEA regulatory action because of the status of due diligence files on customers purchasing controlled substances?
MR. JONES: Object to the form, mischaracterizes the document.
A. I don't recall. I don't recall that.
BY MR. ACKERMAN:
Q. Okay. Turn to the next page. It says Solution. The first bullet point says: Develop and execute a plan to obtain due diligence on all active customers purchasing controlled substances within a reasonable time frame.
Do you see that?
A. I do.
Q. Were you involved at all in the development or execution of a plan to obtain due diligence on all active customers purchasing controlled substances?
A. Not that I recall.
Q. And the second bullet point says: Additional regulatory resources are needed to prepare, review and to complete

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customer due diligence.
Do you see that?
A. I do.
Q. Were you involved in any efforts to amass additional resources in order to prepare, review and complete customer due diligence?
A. Not that I recall, and regulatory didn't fall under my scope, doesn't fall under my scope.
Q. But due diligence was performed by the verification department, correct?
A. Uh-huh, yes.
Q. And that was within your scope?
A. Yes.
Q. You mentioned that you were aware that Mr. Abreu and the regulatory team were undergoing an effort to identify accounts that required additional due diligence?
A. Uh-huh.
Q. How long did that effort last?
A. Oh, I don't recall the exact time, the time frame.
Q. Did that effort identify any

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problem customers?
A. I don't recall specifically.
Q. Understanding you may not recall the exact time frame of how long the effort lasted, do you recall generally the time frame?
A. I don't. I don't.
Q. Was it more than a year?
MR. JONES: Objection, form, asked and answered.
A. Yeah, I don't recall if it was longer than a year.
BY MR. ACKERMAN:
Q. Okay. Was it longer than six months?
MR. JONES: Objection, form, asked and answered. He's already told you that he doesn't have any specific understanding or recollection.
A. Yeah, I don't recall.
MR. ACKERMAN: And I'm probing it.
MR. JONES: I know. But he's already answered your question, David.
MR. ACKERMAN: That's fine.

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Just say objection to form.
BY MR. ACKERMAN:
Q. Was it longer than six months?
MR. JONES: Objection, form, asked and answered twice.
A. I don't recall if it was.
BY MR. ACKERMAN:
Q. Was it longer than a month?
MR. JONES: Objection, form, bordering on harassing.
A. I don't recall.
MR. ACKERMAN: Let's mark this next one as Exhibit 15.
(HenrySchein-Brandt Deposition Exhibit 15 marked.)
BY MR. ACKERMAN:
Q. Mr. Brandt, the court reporter has handed you what's marked as Exhibit 15. It is a multipage document numbered HSI-MDL_00499366 through 00499371.
A. Yeah.
Q. Take a moment to review this document, let me know when you've had a chance to review it.
A. Okay.

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(Document review.)
A. Okay.
BY MR. ACKERMAN:
Q. Have you seen this document before?
A. Yes.
Q. When have you seen it?
A. Back in 2014.
Q. Okay. And what is it?
A. It's a summary of a meeting, meeting minutes from a February 11th review.
Q. And did you attend this meeting?
A. I believe I did. I'm listed as an attendee.
Q. Do you recall attending the meeting?
A. I don't recall if I attended.
Q. All right. Some of the attendees I think we've identified here, but I just want to make sure that I understand who they are.
A. Okay.
Q. The first one listed is L. David?

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A. Len David.
Q. And what position did Len David have in 2014?
A. I believe he was our chief compliance officer.
Q. J. Peacock?
A. Jeff Peacock.
Q. And what position did Jeff Peacock hold in 2014?
A. Regulatory, may have been director.
Q. Okay.
Mr. Mullins, I think we've discussed. Mr. Tejeda. The next one is you, right?
A. Yes.
Q. L. Matalon?
A. Lisa Matalon was the manager of customer service at that time.
Q. The next one is Mr. Abreu, correct?
A. Yes, Shaun reported to Lisa. Lisa reported to me.
Q. Okay. And then the last one is K. Romeo?

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A. Ken Romeo.
Q. Who was that?
A. Ken was a regulatory associate based out of Reno.
Q. And the minutes were prepared by Tina Steffanie-Oak?
A. Yes.
Q. Do you recall any of the discussion at this meeting?
A. Not specifically, no.
Q. Okay. Do you recall just generally?
A. Generally, yeah.
Q. What do you recall?
A. Just reviewing her findings and listening to the opportunities and discussing at a high level, you know, plans of action, things that, you know, we would do.
Q. Who did most of the talking?
A. Tina Steffanie-Oak and Ken Romeo would.
Q. Was Ms. Steffanie-Oak tasked with conducting an audit of the -- Henry Schein's SOM system?
A. I don't recall.

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Q. The meeting -- the title says Meeting Minutes From Our February 11, 2014 Review of the SOM Audit Findings.
Do you know what SOM audit is referred to in this -- in that title?
A. Yes.
Q. What?
A. Suspicious order monitoring.
Q. Right, that's what SOM stands for. My question I think is a little different.
What is the SOM audit or who conducted the SOM audit that is referenced in the title of this document?
A. I believe Tina Steffanie-Oak.
Q. So the first finding says: Current computerized suspicious order monitoring system is dated, risk level high.
Do you see that?
A. I do.
Q. Do you recall any specific discussion regarding the fact that the current -- that Henry Schein's current SOM system was dated?
A. Nothing other than general

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discussion. I don't remember any specifics of it.
Q. Were you involved in any efforts following this meeting to update Henry Schein's computerized suspicious order monitoring system?
A. Just on an oversight level. Shaun -- Shaun and Lisa would have been more into the details of that.
Q. Okay. At this point in 2014, how long had Lisa Matalon been the manager of the -- was she the manager of the customer service division or of the verifications department?
A. Both.
Q. Okay.
A. Yeah.
Q. So in 2014, how long had Lisa Matalon been the manager of the verifications department?
A. Five years.
Q. And in 2014, what was Mr. Abreu's title with respect to the verification department?
A. Verifications supervisor, I

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believe.
Q. How long had he been the supervisor of the verifications department?
A. I believe about four or five years.
Q. What department at Henry Schein was responsible for the computerized suspicious order monitoring system?
A. Regulatory.
Q. They were responsible for designing it?
A. Yeah, I believe.
Q. Skip to number 2, finding number 2 on the second page?
A. Number 2? Okay.
Q. It says: Individual account thresholds for controlled substance purchase may be adjusted by verifications without regulatory and/or appropriate medical guidance which could result in an inappropriate product release.
Do you see that?
A. I do.
Q. It says risk level high, right?
A. Uh-huh.

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Q. So my first question: Do you recall any discussion at the meeting concerning this topic?
A. I don't. Nothing -- not specifically, no.
Q. Okay.
A. No.
Q. There's a sub (a) there, right?
A. Uh-huh.
Q. And it says: Decision-makers in verifications department need additional medical-related training and quantifications to release controlled substances orders without regulatory/medical guidance in some instances.
Right?
A. (Nods head.)
Q. So do you recall any discussion at this meeting concerning the need for individuals in the verifications department to receive additional medical-related training?
A. I do recall the discussion on this because Ken Romeo was actually a doctor, and I believe the thought in the room was

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that it's a good idea. But I don't think we were completely convinced that it was absolutely necessary.
Q. Was there any discussion as to who the decision-makers in the verifications department were?
A. I'm sorry, can you repeat it?
Q. Sure. So the word "decision-makers" is in quotes there, right?
A. Right, uh-huh.
Q. Was there discussion during this meeting as to who the decision-makers in the verification -- who were the decision-makers in the verifications department?
A. Yeah, that -- that's a title, so it's a job title, the SOM decision-makers. I don't recall exactly who they were in 2014, but it was probably a handful of representatives.
Q. And how are the decision-makers different from representatives in the verifications department?
A. Their role. The role of their position is different.

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Q. So there -- if I understand the verifications department, there are representatives and then there are decision-makers?
A. Yes.
Q. Was that the case throughout your entire tenure overseeing the verifications department?
A. No.
Q. And when did the verifications department create the decision-maker role?
A. When we implemented the questionnaire.
Q. In what way -- what responsibilities did the decision-makers have that differentiated them from regular representatives in the verifications department?
A. I couldn't -- I couldn't specify with any degree of accuracy. That would have been Shaun and Lisa's expertise.
Q. Were the decision-makers the ones who reviewed the completed questionnaires that came in from customers?
A. Yes.

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Q. So if the decision-makers were reviewing the completed questionnaires, what were the verifications department representatives doing?
A. Reviewing orders that were pending in our system, but it may not have -- may or may not have included a controlled substance. May have just been an Rx item, may have been a -- it may have had a controlled substance; it may have not.
Q. Okay. Then there's a reference here to -- so before we move on to there: Did the decision-makers in the verifications department ever receive additional medical-related training to release controlled substances orders?
A. Yes.
Q. When was that?
A. I don't recall the exact date.
Q. And what training did they receive?
A. It was a presentation from -- that Ken Romeo put together.
Q. And was Mr. Romeo the one who presented that presentation to the

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verifications department?
A. Yes. Yes.
Q. Did you attend that presentation?
A. I don't -- I don't believe I did. I don't believe I attended his.
Q. Were the decision-makers located in both Melville and Reno, or were they only in one location as opposed to the other?
A. At this time?
Q. Yes.
A. I believe only in Melville.
Q. Is Henry Schein's headquarters in Melville?
A. Yes.
Q. Did Mr. Romeo -- Mr. Romeo's medical training presentation, how many times did he give that presentation?
A. Gosh, I don't recall if he did the entire team in one sitting. He probably didn't, so -- because we had to cover the phones, so probably multiple times in each location.
Q. Was it a regular presentation

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that occurred, you know, every six months, or was it just done multiple times in a relatively short time span?
A. I don't know. I don't recall. I don't recall. Shaun would probably know that.
Q. Okay. Did the verification department hire new decision-makers or task different individuals with being decision-makers after Mr. Romeo gave his medical presentation?
MR. JONES: Object to the form.
A. I'm not sure I understand it, understand what you're asking, so...
BY MR. ACKERMAN:
Q. Mr. Romeo gave a medical presentation at some point in time following this meeting, correct?
A. Yes.
Q. Subsequent to that presentation, were there additional people who became decision-makers?
A. Yes.
Q. Did those additional people who became decision-makers receive Mr. Romeo's

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presentation?
A. I believe so.
Q. If you wanted to find out whether they had received it or not, how would you do that?
A. I would confirm with Sergio in regulatory. Ken was part of the regulatory team.
Q. Moving on to the next page, ends in 368.
A. Uh-huh.
Q. There's a letter (b), and the second sentence there says: The current "gut feeling" approach, while laudable, leaves Schein exposed. Operating within a closed loop is usually dangerous. During the assessment process, accounts were identified which needed further regulatory scrutiny but were trapped within the closed loop.
Do you see those sentences?
A. I do.
Q. Do you recall any discussion at this February 2014 meeting concerning the verification team using a gut feeling approach?

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A. No, I don't.
Q. Were you part of any changes that were implemented in order to ensure that the verification team was not employing a gut feeling approach?
MR. JONES: Object to the form.
A. Yeah, I don't recall. My position is more of an oversight position, so maybe Shaun and Lisa worked with regulatory on that, but I don't recall anything specific.
BY MR. ACKERMAN:
Q. Part of your oversight position is ensuring the company's compliance with state and federal regulations, right?
A. Yes.
Q. So during the period where you had oversight over the verifications department, a member of Henry Schein is identifying as a risk level high and representing that members of your department are using a gut feeling approach.
Did that cause you concern?
A. Yes.
MR. JONES: Object to the form.

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BY MR. ACKERMAN:
Q. Did you have any discussions with Ms. Matalon or Mr. Abreu regarding this?
A. Yes.
Q. What did you discuss with them?
A. What did I discuss?
Q. Yes.
A. I don't recall exactly what we discussed.
Q. Do you recall generally what you discussed?
A. No. I know we reviewed this. We reviewed this in the meeting, but that's all I remember.
Q. You reviewed the minutes?
A. The minutes.
Q. In a separate meeting with Ms. Matalon and Mr. Abreu?
A. I don't recall if it was a separate meeting or one meeting with everybody, but there were -- I really don't recall it at all, to be honest with you.
Q. Finding number 3 at the bottom of this page says: Accounting data reported to regulatory and verification underwriters

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as total sales may be materially misstated.
Do you see that?
A. Uh-huh. Yes.
Q. Do you recall any discussion in the meeting regarding that accounting data reported to regulatory and verification underwriters might have been materially misstated?
A. I don't recall any discussion about that.
Q. Were you involved in any efforts following this meeting to ensure that data reported to the verifications department was not materially misstated?
A. Not that I specifically --
MR. JONES: Hang on one second. Object to the form.
MR. ACKERMAN: You can answer.
A. Yeah, not that I specifically remember.
BY MR. ACKERMAN:
Q. Turn the page, finding number 4.
A. Okay.
MR. JONES: And to be clear,

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we're talking about accounting data, David. I mean, I think your question is misleading.
BY MR. ACKERMAN:
Q. Did you ever conduct any investigation to determine whether information reported to the verifications department that you oversaw was materially misstated?
MR. JONES: Objection, form.
A. Not that I recall.
BY MR. ACKERMAN:
Q. Finding number 4 on the page that ends 499369, it says: Current Schein SOPs allow for existing customers a three-time pend release of controlled substances before an account is required to produce full documentation of medical need on many controlled substances.
Do you see that?
A. I do.
Q. Do you recall any discussion during the meeting regarding this topic?
A. Only what's in this. I don't remember anything else specific.

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Q. Were you involved in any changes to the SOPs following this meeting that addressed when an account would be required to produce full documentation of medical need?
A. Not that I remember.
Q. Are you aware of whether the SOPs were changed to address that topic?
A. No. I don't know.
Q. You're not aware?
A. I'm not aware.
Q. All right. Who would be included in verifications upper management?
A. Verifications upper management.
Q. Yes.
MR. JONES: Objection, form.
A. Jim Mullins and myself, Jerry Benjamin.
BY MR. ACKERMAN:
Q. Okay. If you look under this heading 4, you see there's a subheading that says Opportunities?
A. Yes.
Q. And then opportunity number 1 says: Due diligence documents provided to

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Schein should be signed under penalty of perjury, right?
A. Yes.
Q. Do you know whether that was ever implemented?
A. Yes, I believe it was.
Q. And then opportunity number 2 says: Acceptable level of risk for a second "courtesy" release should be evaluated by verifications upper management and programmed accordingly into the computer system as a hold for further documentation in the account notes.
Do you see that?
A. I do.
Q. Did you ever following this meeting evaluate a second courtesy release?
A. Not that I recall specifically.
Q. Did Mr. Mullins ever evaluate a second courtesy release following this meeting?
A. I don't know.
Q. Then there's a heading that says Proposed Preliminary Actions directly under the Opportunities, right?

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A. Uh-huh.
Q. It says: Regulatory requested that verifications use the complete list of 16 high-risk controlled substances instead of the list of four controlled substances currently being used to determine when customer documentation is needed.
Do you see that?
A. I do.
Q. Do you recall any discussion regarding using the complete list of 16 high-risk controlled substances as opposed to a partial list of four controlled substances?
A. No, nothing specific.
Q. Do you know whether going forward -- or do you know whether at this time verifications was using a list of four controlled substances to determine when customer documentation was needed?
A. No.
Q. Do you know what the four controlled substances were that were -- that are referenced in this memorandum?
A. No.
Q. If you wanted to find out, how

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would you find out?
A. I would ask Shaun or Sergio in regulatory.
Q. Okay. Number 5 says: Current suspicious order monitoring system fails to account for two potential deviant order patterns.
You said the suspicious order monitoring system falls within the regulatory department, right?
A. Yes.
Q. Do you recall any discussion at the meeting regarding the current SOM system failing to account for two potential deviant order patterns?
A. No.
Q. And then number 6 says: Additional justification letters should be reviewed by management.
Do you see that?
A. I do.
Q. Do you recall any discussion at this meeting regarding whether additional justification letters should be reviewed by management?

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A. No, I don't.
Q. Do you recall any discussion following this meeting regarding that topic?
A. Not specifically, no.
Q. Following this meeting, did you ever review an additional justification letter?
A. No.
Q. Following this meeting, did Mr. Mullins ever review an additional justification letter?
MR. JONES: Object to the form.
A. Not that I'm aware.
BY MR. ACKERMAN:
Q. Number 9 on the last page says: The decision-maker job position does not exist at the Reno call facility.
Do you see that?
A. I do.
Q. Do you recall any discussion regarding this topic?
A. Not specifically, no.
Q. Did Henry Schein establish a decision-maker job position at the Reno call facility following this meeting?

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A. I don't know if -- how close in relation to this meeting, but we have established that position in the Reno call center.
Q. Okay. Today how many decision-makers are at the Reno call center?
A. I don't even know. I don't know.
MR. ACKERMAN: Good time for a break?
MR. JONES: Sure.
THE VIDEOGRAPHER: The time is now 3:22. Going off the record.
(Recess taken, 3:22?p.m. to 3:35?p.m.)
THE VIDEOGRAPHER: The time is now 3:35, back on the record.
MR. ACKERMAN: We've got a few more documents to go.
THE WITNESS: Sure.
MR. ACKERMAN: Let's mark this as Exhibit 16.
(HenrySchein-Brandt Deposition Exhibit 16 marked.)
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BY MR. ACKERMAN:
Q. Mr. Brandt, the court reporter has handed you what's been marked as Exhibit 16. It is a multipage document. I'll note it's designated as highly confidential with the Bates number HSI-MDL_19701 through 19704.
A. Okay.
Q. Take a moment to review this document, let me know when you've had a chance to review it.
A. All right.
(Document review.)
MR. ACKERMAN: While the witness is reviewing the document, I just want to state on the record that this is how the document was produced to us, but it appears to have two different e-mail chains merged together in the same document.
There are e-mails where the subject line is regarding pending HS order on the first two pages, carrying over into the third. And then it looks like the date switches to a

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later date and there's a subject line with a different reference, help with sorting spreadsheet.
I'm not sure --
MR. JONES: No, I will agree with your stipulation that this exhibit is unreliable and you shouldn't ask any questions about it.
MR. ACKERMAN: That was not my stipulation. All I was going to say was I only intend to ask you questions about the -- that portion of the e-mail chain that has the subject line: Pending HS order.
THE WITNESS: Okay.
MR. ACKERMAN: All right.
(Document review.)
THE WITNESS: Okay.
BY MR. ACKERMAN:
Q. Understanding the different subject lines, but have you generally seen this e-mail chain before?
A. Not in ten years.
Q. That much I understand.
So turning to the second page.

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A. Okay.
Q. The e-mail at the bottom is an e-mail from Donna Remondino.
A. Yes.
Q. Have you already described who Ms. Remondino was?
A. I believe so.
Q. What was her position in 2007?
A. She was the supervisor of verifications in Melville.
Q. And she sends an e-mail to Sergio Tejeda, Albert Clancy. What was Mr. Clancy's position in 2007?
A. Al was in regulatory.
Q. Lisa Matalon and you?
A. Uh-huh.
Q. Stating -- and the subject line is: Pending HS Order.
The question is, and she writes: Sergio, I have an order that is currently pending suspicious with a zero threshold.
Do you see that?
A. Uh-huh.
Q. Do you have an understanding as

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what that means, an order that is currently pending suspicious with a zero threshold?
A. No, I don't.
Q. And then a couple -- it says: Thomas E. Long is ordering hydromorphone HCl tablets. The item is in the system with zero as the threshold for all to pend.
Do you see that?
A. Yes, I do.
Q. What does that mean, that the item is in the system -- do you have any understanding -- with zero as the threshold for all to pend?
A. That means every order -- every time that gets ordered, it will pend for review.
Q. Then Ms. Remondino said: I've checked the doctor's DEA and show he is listed as an MD.
And a little further down: I tracked all his orders in the system and show that they are all left at the front door. I am very hesitant to release this item.
Do you see that?
A. Uh-huh.

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Q. So that e-mail is sent on March 21, 2007, and then nine days later -- nine days later, Ms. Remondino e-mails only Ms. Matalon and says: I released the order today to ship to the doctor. I had it on hold for a response. I have not gotten a response from Sergio. I never get any response from Sergio on any issue that comes up in verifications. And then the e-mail goes on.

And it appears that Ms. Matalon then forwards the e-mail to you?

A. Uh-huh.

Q. My question is: Do you have any recollection of this situation?

A. No, not specifically.

Q. Okay. Generally?

A. No.

Q. Is it unusual that orders of hydromorphone HCl tablets would be left at the front door of a -- of a customer's delivery location?

A. What was the ask? Is it --

Q. Yeah, sure. So going back to the second page.

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A. Yeah.

Q. Ms. Remondino writes: I tracked all his orders in the system and show that they are all left at front door.

A. Uh-huh.

Q. Is that an unusual occurrence in your experience at Schein?

A. It depends on --

MR. JONES: Object to the form.

A. It depends on the -- if it's a residence, then no.

BY MR. ACKERMAN:

Q. Did Schein have any procedures in place in 2007 that required that a customer physically sign for deliveries of class II controlled substances?

A. I don't know. I don't know.

Q. Did you have any discussions with Mr. Mullins regarding this situation?

A. I don't recall.

Q. Mr. Mullins writes here: Bill, can you please discuss directly with Sergio. Right?

A. Right.

Q. Do you see that?

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A. I do.

Q. Did you have any discussions with Mr. Tejeda regarding this situation?

A. I'm sure I did.

Q. Do you recall those discussions?

A. No, I don't.

Q. In 2007, did individuals in the verifications department have the authority to release orders if they had not received any response from the regulatory department?

A. I don't know.

Q. Ms. Remondino writes at the bottom of page 1: I released the order today to ship to the doctor. I had it on hold for a response.

Do you see that?

A. I do.

Q. Does that suggest to you that at least Ms. Remondino had the authority to release an order even if it was -- if she had not received a response from the regulatory department regarding an inquiry?

MR. JONES: Object to the form.

A. I don't know.

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BY MR. ACKERMAN:

Q. Ms. Matalon's e-mail to you writes -- she writes at the bottom: We have become regulatory. I think we need to meet before Janet comes back and figure out what are our responsibilities and what is theirs. I feel we are doing much more than verifications.

Do you see that?

A. I do.

Q. Do you recall any discussions with Ms. Matalon regarding figuring out what are verifications' responsibilities and what are regulatory's responsibilities?

A. Not specific to that.

Q. Okay.

A. Yeah.

Q. Did you have any discussions with anyone else concerning what the responsibilities of the verifications department were vis-?-vis the responsibilities of the regulatory department?

A. Not that I recall specifically, no.

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Q. And then at the top of this document is a -- what appears to be a meeting invitation. Would you agree?
A. Yes.
Q. It shows you as the organizer?
A. Yes.
Q. And the attendees are -- well, you, Mr. Tejeda, Mr. Clancy and Ms. Matalon?
A. Yes.
Q. Did you convene this meeting?
A. I don't remember.
Q. Or it looks like it may have been a telephone conference.
A. Uh-huh.
Q. Do you recall anything about -- do you recall a telephone conference on this subject?
A. No.
MR. ACKERMAN: You can put that one aside.
THE WITNESS: Okay.
MR. ACKERMAN: Let's mark this as Exhibit 17.
(HenrySchein-Brandt Deposition Exhibit 17 marked.)

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BY MR. ACKERMAN:
Q. Mr. Brandt, the court reporter has handed you what's been marked as Exhibit 17. It's a one-page document numbered HSI-MDL_2760. It's been designated as highly confidential.
A. Okay.
Q. Take a moment to review this document and let me know when you've had a chance to review it.
(Document review.)
A. Okay.
BY MR. ACKERMAN:
Q. Okay. You are not on this document, and I will stipulate to that.
A. Okay.
Q. But I want to ask you a question about something that appears in the document.
A. Okay.
Q. Would you agree this document appears to be an invitation from Donna Remondino Tomaselli to certain individuals, including Shaun Abreu, about scheduling a team meeting?

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A. Yes.
Q. Who is Maggie Wilding?
A. Maggie Wilding is now Maggie Koromi, she's the supervisor in Reno.
Q. In the verifications department?
A. In the verifications department.
Q. And who is or was Judy LaBarbera?
A. She was the team leader in Melville for verifications.
Q. So it looks like this is a team meeting from -- between the verification teams in Melville -- or that would have included the verification -- at least individuals in the verification teams in Melville and Reno; is that right?
A. They're discussing what the agenda should be, it looks like to me.
Q. Yes.
A. Yes.
Q. Now, near the bottom of the page, it says: Some things we can discuss, and then there's a reference to SOM.

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And it says: I hear some team members giving information on orders pending in SOM. I do not want the reps giving detail to the customers or sales rep to avoid a pend.
Do you see that?
A. I do.
Q. Were you involved in any discussion regarding verification department representatives giving detail to customers or sales representatives in order to avoid a pending order?
MR. JONES: Object. Object to the form.
A. Not that I recall.
BY MR. ACKERMAN:
Q. Did you ever hear about representatives giving details to customers or sales representatives to avoid pending the order?
A. Not that I recall. We would all be concerned as Donna was here, if we heard.
Q. If that had occurred, would you have expected that one would have informed

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you of the occurrence?
A. Not necessarily. Not necessarily, not knowing the severity of it, I guess.
Q. Okay.
A. Yeah.
MR. ACKERMAN: Mark this as Exhibit 18.
(HenrySchein-Brandt Deposition Exhibit 18 marked.)
BY MR. ACKERMAN:
Q. Mr. Brandt, the court reporter has handed you what's been marked as Exhibit 18, which is a document numbered HSI-MDL_2667 through 2668.
A. Okay.
Q. Take a moment to review this document, let me know when you've had a chance to review it.
A. Okay.
(Document review.)
A. Okay.
BY MR. ACKERMAN:
Q. Have you seen this document before?

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A. Not in -- not in eight years.
Q. This is an e-mail chain that you are involved in, correct?
A. Yes.
Q. And at the -- on the second page on the first e-mail, Ms. Matalon writes to you that the DEA recommended to Mike DiBello that in Florida we send a Know Your Customer letter to each customer purchasing controls to ensure that they are not self-medicating or sending drugs to residences. We got a slap on the wrist for the last occurrence in May, but the DEA said the next time could be a penalty.
Do you see that?
A. I do.
Q. It says shipping controls. Does that refer to controlled substances?
A. Yes.
Q. And do you know what she's referring to where it says we got a slap on the wrist for the last occurrence in May?
A. No, I don't know what she's referring to by that.
Q. Okay. Does this indicate that

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the DEA was concerned about doctors self-medicating with controlled substances?
MR. JONES: Object to the form.
A. I don't know.
BY MR. ACKERMAN:
Q. Was Henry Schein concerned about doctors who self-medicated using controlled substances they purchased from the Schein company?
MR. JONES: Object to the form.
A. Yes.
BY MR. ACKERMAN:
Q. In fact, the questionnaire form that we talked about earlier, one of the questions specifically was do you self-medicate, right?
A. That's correct.
Q. And what is the reason that the Schein company asks that question of customers?
A. Because that violates one of our business rules and DEA regulations.
Q. So then there is some back-and-forth about identifying residential offices, correct?

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A. Uh-huh, yes.
Q. And then a meeting or a call on June 14th, 2011 to discuss -- discussing residential -- or to discuss the issue that Ms. Matalon raised, right?
A. Yes, uh-huh.
Q. Whatever -- do you know how this -- or whether this issue was ever resolved?
A. I believe it was.
Q. And what happened?
A. I believe this started our Google search protocol of searching for residences on Google.
Q. And tell me what is the Google search protocol?
A. I don't know exactly.
Q. Just generally, yeah.
What was the protocol that resulted from this situation?
A. I don't know it exactly.
Q. Okay. But in general terms what was it?
A. Looking up an address on Google to see if there's a physical building there,

and if it looks like a residential versus a professional building.

Q. And if it looked like it was a residential building as opposed to a professional building, what then would Henry Schein do?

A. I don't know. Yeah, I don't know.

MR. ACKERMAN: Okay. Let's mark this next one as Exhibit 19.

(HenrySchein-Brandt Deposition Exhibit 19 marked.)

BY MR. ACKERMAN:

Q. Mr. Brandt, the court reporter has handed you what's been marked as Exhibit 19.

A. Okay.

Q. Which is a document numbered HSI-MDL_20069 through 20070.

Take a moment to review this document, let me know when you've had a chance to review it.

A. Okay.

(Document review.)

A. Okay.

BY MR. ACKERMAN:

Q. Do you recognize this document?

A. No.

Q. This is an e-mail chain on which you are copied; is that correct?

A. Yes.

Q. Looking at the last e-mail on the first page, it's from Mr. Abreu to Craig Schiavo?

A. Schiavo.

Q. I think it's explanatory from the next e-mail up, but what was Mr. Schiavo's position at that time?

A. Regulatory, analyst or something.

Q. And Mr. Abreu writes: Please see the attached file from the KYC proactive process.

KYC stands for Know Your Customer, right?

A. Uh-huh, yes.

Q. This doctor was self-medicating, but he did 31,000 in sales for 2011. I had him send us justification stating that he will no longer order the

product to self-medicate, and that all future controlled substances orders will be for patient use.

Do you see that?

A. I do.

Q. What's the relevance of the fact that the doctor did 31,000 in sales for 2011?

MR. JONES: Object to the form.

A. Nothing. I don't know. I don't know what he meant by that.

BY MR. ACKERMAN:

Q. If a doctor is self-medicating, does it matter how much in sales the doctor was doing for Henry Schein?

A. I don't think so, no.

Q. Did Henry Schein treat doctors differently if they generated bigger sales figures for the company?

A. I don't believe so, no.

Q. When Henry Schein was considering whether the controlled substances it was shipping were being used for legitimate medical uses, did the sales figures for the doctor factor into that

consideration?

A. I don't believe so, no.

Q. Okay. Did you ever ask Mr. Abreu why he referenced the total number of sales in this e-mail?

A. I don't recall if I did or not.

Q. Okay.

MR. ACKERMAN: Let's mark this as Exhibit 20.

(HenrySchein-Brandt Deposition Exhibit 20 marked.)

BY MR. ACKERMAN:

Q. Mr. Brandt, the court reporter has handed you what's been marked as Deposition Exhibit 20. It's a multipage document numbered HSI-MDL_00046124 through 46126.

A. Okay. 27?

Q. I'm sorry, 27. Thank you.

Take a moment to review this document, let me know when you've had a chance to review it.

A. All right.

(Document review.)

A. Okay.

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BY MR. ACKERMAN:
Q. Now, do you recognize this e-mail chain?
A. Not in four years, but yeah. But I wrote it, obviously.
Q. And these are e-mails to and from you?
A. Yes.
Q. Okay. Start at the back of the chain on page 127 -- I guess it begins on 126.
A. 26, yeah.
Q. And there's an e-mail from Christine Stratton.
Do you see that?
A. Yep.
Q. In May 2014, was Christine Stratton a Henry Schein employee?
A. Yes. She was, I believe, a team lead for verifications.
Q. She sends an e-mail to you and to April Leal?
A. Yes, my administrator, admin.
Q. Okay. And there's a copy to Shaun Abreu and to Leah Mannino.

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A. Leah was a team lead as well in Melville for verifications.
Q. Christine Stratton writes: Hello, Bill. The attached doctor is being restricted for self-medicating. The doctor advised to cancel his order but did not want to send anything to us in writing. Please just send the letter to him and not the DEA.
Do you see that?
A. Uh-huh.
Q. In 2014, did you have any involvement in sending letters to customers advising them that their orders were restricted?
A. Yes.
Q. And what was that involvement?
A. The letter was -- has my signature on it.
Q. Okay. Did you do any investigation before that letter was sent?
A. Before the letter is sent?
Q. Yeah.
A. No.
Q. So other than the letter having your signature on it, were you involved in

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any other respect in the decision whether or not to restrict an order --
A. No.
Q. -- to a customer?
A. No.
Q. And then the next e-mail is your response, correct?
A. Uh-huh, yes.
Q. And it says: Christine, let's discuss this with the FSC and RSM before we decide to restrict. This is a really big account, and I think we need some dialogue.
Do you see that?
A. Yes.
Q. First question: What is FSC?
A. Field sales consultant.
Q. Who was the field -- what does that mean, field sales consultant?
A. It's just the salesperson that's in the field that goes in to visit the account.
Q. And what is RSM?
A. Regional sales manager.
Q. And what responsibility does the regional sales manager have?

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A. I don't know, just to manage the field sales reps, consultants.
Q. Okay. Why did you suggest discussing with the field sales consultant and regional sales manager before we decide to restrict?
A. Based on the -- what's in here, the customer canceled the order, so there was no pending order, and I thought a dialogue would be appropriate.
Q. Why do you think a dialogue would be appropriate?
A. I don't know, to advise them of the situation.
Q. You wrote: This is a real big account.
A. Uh-huh.
Q. Why did you write that?
A. I don't know. I don't recall.
Q. Does Ms. Stratton's e-mail advise this is a big account?
A. Doesn't look like it, no.
Q. So how did you know that it's a big account?
A. I -- I don't know. I don't

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recall.
Q. And then a few e-mails up, there's another e-mail from Ms. Stratton on June 3rd, 2014, and it says: I just spoke to the FSC, Emily. She said the doctor was really upset/mad about the situation, and that she was already aware of it.
Do you see that?
A. I do.
Q. And you responded or -- well, you replied only to Mr. Abreu and Ms. Matalon, right, you said: The communication was too late here.
A. Uh-huh.
Q. I asked you guys to communicate last month before the letter went out to try to work something out to avoid upsetting this account.
A. Uh-huh.
Q. Why didn't we reach out before the letter went to the doctor?
Do you see that?
A. I do.
Q. Why were you upset that no one had reached out to the field sales consultant

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before the letter went to the doctor?
A. I think my intent here was to advise the regional manager that it was -- that this was the course of action that was happening, so that we didn't -- so that it wouldn't be a shock to the account.
Q. Okay. Go to the e-mail.
A. Uh-huh.
Q. The top of the e-mail is another e-mail from you to Mr. Abreu and Ms. Matalon in the same chain, right?
A. Yes.
Q. And you write: Thanks Shaun. These large accounts don't get restricted often, so it's important we connect with the sales guys ASAP to make them aware in case they want to try and work something out with regulatory.
Do you see that?
A. I do.
Q. What did you mean by try and work something out with regulatory?
A. I don't recall exactly what -- you know, what I had in mind, but making them aware, seeing if there was possibly a

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different way, if -- you know, I guess just having the dialogue to see if there's anything we can do to preserve their relationship with the account.
Q. For large accounts, right?
A. Not necessarily. I mean --
Q. Well, your e-mail says: These large accounts don't get restricted often, doesn't it?
A. Yes.
Q. And did you instruct Shaun that he should reach out to the salesperson with respect to every account that gets restricted?
A. No.
Q. Was it the practice at Henry Schein that when large accounts got restricted, the sales reps were encouraged to try and work something out with regulatory department?
A. No.
MR. ACKERMAN: Let's take a break.
THE VIDEOGRAPHER: The time is now 4:12, going off the record.

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(Recess taken, 4:12?p.m. to 4:31?p.m.)
THE VIDEOGRAPHER: The time is now 4:31. Back on the record.
MR. ACKERMAN: I believe this is Exhibit 21.
(HenrySchein-Brandt Deposition Exhibit 21 marked.)
BY MR. ACKERMAN:
Q. Mr. Brandt, the court reporter has handed you what's been marked as Deposition Exhibit 21, which is a multipage document numbered HSI-MDL_00156897 through 899.
Take a moment to review it. You're not on it, but I just have a couple of quick questions for you.
A. Okay.
(Document review.)
A. Okay.
BY MR. ACKERMAN:
Q. Okay. I'm going to ask you just a couple of questions about the first page of this e-mail, and there's an e-mail -- or of the document, all right?

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There's an e-mail from Doug Crawford, who is a -- according to the document, a Drug Enforcement Administration diversion investigator.

Do you see that?

A. Is it on the --

Q. Sorry, on the first page.

A. Yeah.

Q. Just the top of the page?

A. Yeah, Doug, okay.

Q. And he writes to Ms. Tomaselli?

A. Yes.

Q. And he writes -- and this is regarding Richard Mason. He writes: Here in Ohio, doctors that dispense are required to report to the Ohio prescription drug monitoring program, ORS. ORS reports that Dr. Mason has never reported any dispensing. I ran ARCOS and found that Dr. Mason ordered 10,000 hydrocodones since 2012. I went to Mason's practice to inspect the records which he did not produce. I gave him time to find the records and arrange a time to return to the inspection.

A few days later the state

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pharmacy board went to inspect his records, at which time Dr. Mason admitted to them that he lied to me and had no dispensing records because he was addicted to hydrocodone and had been ordering hydrocodone from your company for his personal use. If you need any additional information, please let me know.

Do you see that e-mail?

A. I do. I haven't seen it before.

Q. I understand that, and you're not on this e-mail.

A. Yeah, I see it.

Q. Would Dr. Mason have received a practitioner questionnaire in 2012, assuming he began ordering hydrocodone in 2012?

MR. JONES: Object to the form.

A. I don't -- yeah, I don't know. I don't want to speculate.

BY MR. ACKERMAN:

Q. Okay. Would Henry Schein have been shipping hydrocodone to Dr. Mason if he had not completed a practitioner questionnaire?

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MR. JONES: Object to the form.

A. I don't know. I don't know. 2012, yeah, I don't know. Was it 2012? Is that --

BY MR. ACKERMAN:

Q. I used 2012 because the DEA investigator writes: I ran ARCOS and found that Mason ordered 10,000 hydrocodones since 2012.

A. But it's not clear if that was ordered through us.

Q. Correct, it doesn't say who it was ordered from?

A. Okay.

Q. But it does say further down: Dr. Mason admitted to them that he lied to me and had no dispensing records because he was addicted to hydrocodone and had been ordering hydrocodone from your company for his personal use.

Right?

A. That's what it says, yeah.

Q. And Ms. Tomaselli responds: We will restrict the account today.

Correct?

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A. Yes.

Q. She didn't respond and say we have no record of shipping to Dr. Mason, did she?

A. No.

Q. So my question again: Did Dr. Mason complete a practitioner questionnaire before Henry Schein shipped hydrocodone to him?

MR. JONES: Object to the form.

A. I don't know.

BY MR. ACKERMAN:

Q. If you wanted to know, how would you find out?

A. I would ask Shaun or Donna.

Q. If Dr. Mason had completed a practitioner questionnaire and had indicated on the questionnaire that he was self-medicating, would Henry Schein have shipped hydrocodone to him following that questionnaire?

MR. JONES: Object to the form.

A. No, we shouldn't.

BY MR. ACKERMAN:

Q. If Dr. Mason had completed the

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questionnaire and indicated that he wasn't self-medicating, that would not have tripped any -- or that would not have -- that answer would not have raised any concerns at Henry Schein, correct?

MR. JONES: Object to the form.

A. If -- if he -- can you restate that?

BY MR. ACKERMAN:

Q. Sure.

A. Okay.

Q. The reviewers, the decision-makers who -- I don't know whether there were decision-makers at this time.

A. Uh-huh, uh-huh.

Q. But the decision-makers who reviewed the questionnaires, one of the -- one of the questions they review is: Are you self-medicating?

A. Correct.

Q. Right? It may not be stated that way. I'm just --

A. Yeah.

Q. -- summarizing.

If the answer is no, I am not

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self-medicating, that answer is -- does not raise a red flag, correct?

A. Typically, no.

Q. Okay. We can put that one aside.

A. Okay.

Q. I want to just go through three exhibits that we've already talked about.

A. Okay.

Q. Okay. And let's start with Exhibit 16. Okay?

A. Uh-huh.

Q. Do you have that in front of you?

A. I do.

Q. And Exhibit 16 is the 2007 e-mail -- or the e-mail regarding the pending HS order, correct?

And in that -- on the first page of this e-mail, a little more than halfway down, Ms. Matalon writes to you: We have become regulatory. I think we need to meet before Janet comes back and figure out what are our responsibilities and what is theirs. I feel we are doing much more than

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verifications.

Correct?

MR. JONES: Did you read that correctly?

A. That's how it's stated.

BY MR. ACKERMAN:

Q. Is that what Ms. Matalon wrote to you?

A. Yes.

Q. And Ms. Matalon's concern in that e-mail is that she wants to figure out what are the responsibilities of the verification department and what are the responsibilities of the regulatory department; is that correct?

A. Yes.

MR. JONES: Objection, form, document speaks for itself.

BY MR. ACKERMAN:

Q. Okay. Now take a look at Exhibit 13. Exhibit 13 is the Cegedim Dendrite document that's entitled Schein SOM Procedural Review, correct?

A. Yes.

MR. JONES: Objection. To be

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clear, it says draft on it, unlike the other documents you went over with him on that.

BY MR. ACKERMAN:

Q. And we have established, I think we had already testified that although the document is undated, it had to have been written at least after December 16th, 2009, based on the reference to that date on page 2; is that correct?

MR. JONES: Objection, form, calls for speculation.

A. I don't know. Yeah, I don't know.

BY MR. ACKERMAN:

Q. Take a look at page 2 of Exhibit 16 at the bottom, right?

A. 16?

Q. I'm sorry. It's Exhibit 13.

A. 13?

Q. Yeah. I apologize.

It says: On December 16, 2009, Messrs. Williams and Owen returned for a second visit as provided for in the agreement between CDCS and HSI; is that correct?

A. Yes.
Q. Turn to page 4 of that exhibit, please. At the bottom of page 4, does the document say: However, the responsibilities of the customer service department, the verifications department and the regulatory department appear to be poorly defined?
A. Yes.
Q. Now turn to Exhibit 15. Exhibit 15 are the meeting minutes from a meeting in February 2014, correct?
A. Yes.
Q. And on page 2 of that document, Ms. Steffanie-Oak wrote: The verifications team is operating in a latent closed loop system.
Correct?
A. Yes.
Q. And at the bottom of that paragraph, it says: Also internal documentation such as account notations performed by the suspicious order HS teams is not revealed to regulatory on a regular basis.
Correct?

A. Yes.
Q. And then on the next page under letter (b), she wrote: Better define the limits under which an atypical account is processed into the regulatory system.
Correct?
A. Yes.
Q. And Exhibit 15 is seven years after Exhibit 16, correct?
MR. JONES: Object to the form.
A. Say that again? What was your question?
BY MR. ACKERMAN:
Q. Exhibit 15 is dated February 17th, 2014, correct?
A. Yes.
Q. And Exhibit 16 is dated April 9th, 2007, correct?
A. That's correct.
Q. So almost seven years have elapsed between these two documents. Would you agree?
A. Yes.
MR. ACKERMAN: I have nothing further.

MR. MENGIS: I'll reserve my questions.
MR. JONES: We'll reserve our questions.
MR. PERRY: Reserve.
THE VIDEOGRAPHER: The time is now 4:45. This concludes the deposition. Going off the record.
(Proceedings recessed at 4:45 p.m.)
--o0o--

CERTIFICATE

I, MICHAEL E. MILLER, Fellow of the Academy of Professional Reporters, Registered Diplomate Reporter, Certified Realtime Reporter, Certified Court Reporter and Notary Public, do hereby certify that prior to the commencement of the examination, BILL BRANDT was duly sworn by me to testify to the truth, the whole truth and nothing but the truth.

I DO FURTHER CERTIFY that the foregoing is a verbatim transcript of the testimony as taken stenographically by and before me at the time, place and on the date hereinbefore set forth, to the best of my ability.

I DO FURTHER CERTIFY that pursuant to FRCP Rule 30, signature of the witness was requested by the witness or other party before the conclusion of the deposition.

I DO FURTHER CERTIFY that I am neither a relative nor employee nor attorney nor counsel of any of the parties to this action, and that I am neither a relative nor employee of such attorney or counsel, and that I am not financially interested in the action.

MICHAEL E. MILLER, FAPR, RDR, CRR
Fellow of the Academy of Professional Reporters
NCRA Registered Diplomate Reporter
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Certified Court Reporter

Notary Public in and for the State of Texas
My Commission Expires: 7/9/2020

Dated: 19th day of February, 2019

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Please read your deposition over carefully and make any necessary corrections. You should state the reason in the appropriate space on the errata sheet for any corrections that are made.

After doing so, please sign the errata sheet and date it.

You are signing same subject to the changes you have noted on the errata sheet, which will be attached to your deposition.

It is imperative that you return the original errata sheet to the deposing attorney within thirty (30) days of receipt of the deposition transcript by you. If you fail to do so, the deposition transcript may be deemed to be accurate and may be used in court.

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ACKNOWLEDGMENT OF DEPONENT

I, BILL BRANDT, do hereby certify that I have read the foregoing pages and that the same is a correct transcription of the answers given by me to the questions therein propounded, except for the corrections or changes in form or substance, if any, noted in the attached Errata Sheet.

_____

BILL BRANDT DATE

Subscribed and sworn to before me this _____ day of _____, 20 _____.

My commission expires: _____

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Notary Public

LAWYER'S NOTES

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